

2011 Neighborhood STAR Program Loan & Grant #11-117

Section A: Proposal & Organization Information

Project Name: Sparc Job Creation and Retention Fund Wards: 4,5,1 Planning Districts: 11, 6, & 7.

Legal Entity Submitting Request: Sparc

Please check organization type(s): Public ☐ For Profit ☐ Non-Profit ☒

Mailing Address: 843 Rice Street St. Paul MN 55117
STREET CITY STATE ZIP

Contact Person For This Request: Allison Sharkey

Daytime Phone: (651) 488-1039 ext 108 Fax #: (651) 488-6309 Federal Tax I.D. # 41-1707848

E-mail Address: allison@sparcweb.org

Proposal Location: Various locations in aforementioned Districts

STAR Funding Request:

Grant request \$ 111,000

Loan request \$ 0 proposed interest rate and term: _____

Total STAR Request: \$ 111,000 (total from page 7)

Total Match Leveraged: \$ 111,000 (total from pages 7 & 8)

The following compliance issues may apply to your proposal and can be reviewed on the City of Saint Paul's website: <http://www.stpaul.gov/index.asp?NID=2659>

- * Vendor Outreach Program: Goals apply to *all projects* receiving city funding
- * Federal Davis Bacon Requirements: Projects funded with \$2,000 or more of *federal* dollars
- * Little Davis Bacon Requirements: Projects funded with \$10,000 or more of *city* dollars
- * Two Bid Policy: Projects receiving \$20,000 or more of city funds
- * Business Subsidy: May apply to recipients of grants of \$25,000 or more and loans of \$75,000 and over
- * Affirmative Action: Entities receiving \$50,000 or more of city funds within a 12-month period
- * Living Wage: Entities receiving \$100,000 or more of city funds
- * Project Labor Agreement: Entities receiving \$250,000 or more of city funds
- * Section 3: Economic opportunities to low income persons or business concerns residing close to the project's location
- * Sustainability Initiative: A plan to make future development projects more environmentally and financially sustainable

We authorize Planning and Economic Development to order a consumer credit report and verify other credit information, including past and present mortgages and contract for deeds, as necessary to process our STAR application.

Individual Completing the Application:

Allison Sharkey	Associate Director	3/30/11	Allison Sharkey
Name (please type)	Title	Date	Signature

Chief Officer or President:

Matthew Ides	Executive Director	3/30/11	Matthew Ides
Name (please type)	Title	Date	Signature

II. PROPOSAL INFORMATION:

1. Please provide a description of your project or program in the space provided:

The Sparc Job Creation and Retention Fund will provide incentive financing for job creation retention. Light industrial, service, and other non-retail businesses will be targeted for investment, although any business located in Sparc's service area will be eligible to apply. Funds can be used for fixed interior and exterior improvements, including expansions and energy retrofits.

A fund pool will be created that will provide revolving loans and grants. Sparc would retain loan proceeds to reinvest in future projects, plus interest of approximately 5.5% and minimal fees to cover some of our underwriting, project management, and closing costs.

The program will produce at minimum a 1:1 match overall; however, our match in recent years has been 1:8, with every dollar of City funds attracting \$8 of other investment.

2. Briefly describe, in quantifiable terms, the specific results of this proposal (i.e.: *10 houses rehabbed in 2 years; 5 jobs created by business expansion; 15,000 sq. ft. Community Center addition.*)

While the grant amounts can vary greatly from project to project, based upon the results of our previous projects, we estimate completing 12 projects with the original capital investment. In our initial round of investment of \$100,000, we estimate retention of 120 jobs and creation of 25 new jobs. As loan funds revolve repeatedly, over 100 businesses may be supported in the next 10 years.

3. Please explain the public benefit of your project:

- This program will retain approximately 120 jobs and create approximately 25 jobs over the next 3 years.
- This program helps preserve approximately 12 businesses in the City, most of which will be long-standing local employers.
- This project will provide a strong return on investment. The program will incentivize a minimum of \$100,000 of private investment, but private investment of \$800,000 is likely.
- This program will invest in the City's building stock, which prevents blight and contributes to the property tax rolls.
- Sparc will work with business owners to make improvements using Crime Prevention Through Environmental Design Guidelines.
- Sparc will ensure that improvements utilize high-quality materials. Architects and / or designers will be utilized to ensure that projects are aesthetically pleasing, will have longevity, and provide a fresh, clean look while fitting in with the existing architecture. Landscaping and an artistic approach will be encouraged.
- Local Section 3 and Vendor Outreach Program certified vendors will be solicited.
- Sparc will guide build-outs to be green, helping Saint Paul meet sustainability goals.

II. NEIGHBORHOOD PLANNING/COMMUNITY SUPPORT: Community involvement is a critical part of the STAR program. In this section you are being asked to identify the participation of neighborhood and community groups in your proposal.

1. Will your project be coordinated or partnered with any other project, program? If yes, please describe:

Sparc will solicit project leads from the District Councils, City Council offices, and Planning and Economic Development.

2. Is this proposal identified as part of an adopted city, neighborhood, or business plan? If yes, please describe: (Neighborhood plans can be found @ www.stpaul.gov/index.aspx?NID=3446)

Yes. The Hamline Midway Community Plan Area Plan Summary states as a recommended action:

'Collaborate as appropriate to foster business development through sharing market data and best practices as well as grant and loan programs to assist start-up and existing businesses'

Hamline Midway Community Plan: p51-52 (*Economic Opportunity & Business Development – Create a safe and attractive environment where people can live, work and shop; Work with property owners and store owners to improve upkeep and maintenance of commercial property*), p54 (*Foster business development – existing and new*)

The North End-South Como District Plan Area Plan Summary has a key goal: 'strengthen and revitalize commercial and industrial area'.

District 6 Comprehensive Plan: p44-45 (*Encourage restoration of old buildings; Encourage property owners to maintain their...businesses*), p55 (*Diversify businesses in District 6*), p56 (*Retain current businesses*)

Rice Street Small Area Plan and Forty-Acre Study: p13 (*retain and assist existing businesses and attract a desirable mix of new businesses*), p17 (*Creative loan and grant programs: The Plan supports housing and commercial financing programs, including rehabilitation loans/grants... to increase commercial vitality*)

The Thomas-Dale (District 11) Plan Area Plan Summary names as a key goal, 'A mix of businesses will fulfill the needs of residents and contribute to meaningful employment in the area'.

This program is supported by the City's Comprehensive Plan, which has a goal of preservation of businesses and jobs. The City's 5-year update to its Comprehensive Plan (Economic Development Needs section) states as goals: "the rehabilitation... of commercial properties... direct financial assistance to businesses... These activities help the City retain and attract businesses, and also help create jobs for city residents... The City will work on the renovation and/or redevelopment of vacant and/or traditional commercial and industrial buildings...All of these may create living wage jobs, or retain such jobs..."

3. Is there neighborhood\community support for this proposal? YES X NO . Please explain:

See attached letters of support.

III. PUBLIC COST: This section helps define the financial impact of your request on the general public. Please be as accurate as possible:

1. Will this project/program result in a change in the tax base? If yes, please complete the following:

_____ Current property taxes payable per year

_____ Estimated taxes after project is completed

_____ Net change in taxes per year

2. For proposals that remove property from the tax rolls, you'll need to calculate a Payment in Lieu of Taxes (PILOT) that will replace the lost property tax revenue. Suggested minimum is 25% of the total current taxes to assist with basic safety services to be paid for 20 years or the term of the agreement, whichever is longer. **The estimated PILOT is:** _____.

IV. PROJECTED JOB CREATION / RETENTION

[X] Job Impact [] No Job Impact	Year 1	Year 2	Year 3	Year 4	Year 5
# of New Full-Time Permanent Jobs CREATED Each Year	10	10	5		
# Of Full-Time Permanent Jobs RETAINED Each Year	40	40	40		
#OF FULL-TIME PERMANENT JOBS LOST Each Year					
# of Construction/Temporary Jobs CREATED Each Year					
Average Wage for Full-Time Permanent Workers	Varies				

V. STAR PROJECT / PROGRAM ACTIVITIES: The Neighborhood STAR Program provides funding for a variety of activities. **Please complete the one section only that best describes your proposal:**
A. Development/Redevelopment; B. Open Space Improvement; or C. Re-lending/re-granting Program:

C. Re-Lending / Re-Granting Program for Housing or Businesses: **This needs to be completed** if you are requesting funds to administer a re-lending / re-granting program:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

	Support Vitality of Industry		Incr. Women/Minority Businesses		Address Special Housing Needs
	Stablize Market Value		Encourage Entrep'ship		Retain Homeowners in the City
	Provide Self-Employment Opt's		Generate Private Investment		Maintain Housing Stock
	Create Local Business	1	Support Commercial Activity		Incr. Home Ownership Stock
2	Retain Local Business		Heritage Preservation		Provide Affordable Housing

2. Anticipated program start date? August 2011 Completion? September 2013

3. Please list the number of units (houses or businesses) to be assisted: 12

4. Briefly summarize how you will select program participants (i.e. income of recipients, requirements for match funds, cash vs. sweat equity.)

Program participants will be selected by Sparc's Business Development Committee on a first come, first served basis upon submitting a completed application. Please see the attached program guidelines for selection criteria and match requirements.

5. Describe you and/or your partner's experience and capacity for operating a loan or grant program:

Sparc has managed well over 15 projects that are similar in terms of scope and responsibilities. Sparc has an extensive history of successfully completing programs from the initial stages of marketing and screening applications, closing the loans and monitoring construction, and ensuring that the contractors perform to the high standards dictated by Sparc and the City of St. Paul.

6. How will this program differ from existing City housing or business programs?

The City does not offer any similar small scale incentivized grant and revolving loan programs. The City does administer business financing programs that facilitate larger redevelopment projects.

7. Will this program coordinate with other City programs? Yes No X If yes, please explain:

8. a. Are you planning to provide loans? Yes X No grants? Yes X No If yes, what type of terms or conditions will be required? (i.e. will there be a mortgage or lien on sub-grantees' property? Occupancy requirements? Will the loan come due if property is sold or rented?)

Loans will be offered at approximately 5.5% interest, with terms of 5 years (or the term of the lease) for leasehold improvements, 7 years for fixed equipment, and 10 years for construction projects if the building is owned by the borrower. Loans will be secured with personal guaranties, second mortgages on real estate, and/or UCC liens on business assets. Loans will be due if the property is sold or rented.

b. What kind of loan underwriting criteria do you envision? (i.e. collateral, debt-to-income ratio)

Sparc utilizes a risk assessment tool for underwriting, and also requires the following:

Loan to Value: .90

Debt Coverage Ratio: 1.10-2.50

Income to Expense Ratio: Less than 1.1:1

Collateral = 1:1

9. **Please attach program guidelines.**

VI. SOURCES AND USES: Please attach an itemized budget or contractors' estimates where applicable. Itemize use of STAR funds, private match and non-matching funds for the entire project:

CATEGORY	STAR LOAN REQUEST	STAR GRANT REQUEST	MATCHING FUNDS	NON-MATCHING FUNDS*	TOTAL
Acquisition					
Rehabilitation:					
residential					
commercial		\$100,000	\$111,000		\$211,000
New Construction:					
residential					
commercial					
Public Improvements					
Private Open Space Improvements					
** Direct Project Costs		\$11,000			\$11,000
TOTALS: <i>total(s) also appear on pages 1 and 8</i>		\$111,000	\$111,000		\$222,000

Line Item Examples:

Acquisition:

up to 20% of STAR funds may be used to purchase an existing building or property

Commercial/Housing Rehabilitation:

capital improvements to an existing building

New Construction:

new structure

Public Improvements:

streetscape, play equipment, park benches, permanent signs, exterior lighting etc. on public property

Private Open Space Improvements:

playground, community garden etc. on private property

* **Please List** the additional funds being used on this project that do not qualify as matching contributions (i.e. city grants from CDBG, TIF, CIB or the HRA)

Direct Project Costs (Soft Costs) - Up to 20% of STAR funds may be used for soft costs (i.e. acquisition, architect, engineering, legal and loan fees, environmental testing, permits, licenses, etc.) Eligible soft costs do not include **general administrative fees, marketing, or operating costs. **Please itemize and describe soft costs:**

Architect fees \$1,000

Direct project management \$10,000 – Includes underwriting, loan closing, monitoring of construction, processing pay requests and supervising compliance.

VII. SOURCE OF MATCHING FUNDS: Matching funds must be *directly* related to the capital improvement proposal. Please refer to the Neighborhood STAR Guidelines (www.stpaul.gov/star) for eligible match criteria.

Please Identify Source & Type of Matching Funds	Amount	Date Available	Match Firm?
A. Estimated volunteer labor/sweat equity*:			
B. Estimated in-kind service*:			
1			
2			
3			
C. Estimate and name source of cash donations:			
1			
2			
D. Name and amount of anticipated foundation grants:			
1			
2			
3			
E. Amount of loan(s) and name of lender:			
1			
2			
F. Amount and source of private equity:	\$111,000	Prior to Project Start	Yes
1			
2			
3			
G. Amount, source and type of other match:			
TOTAL VALUE OF MATCHING FUNDS**	\$111,000		

* Up to 30% of the total match may be indirect contributions including in-kind goods and services, sweat equity and/or volunteer labor. Sweat equity and volunteer labor is valued at \$15 per hour (**STAR Guidelines, page 7**)

** Same total appears on pages 1 and 7

VIII. APPLICANT INFORMATION. This section provides the STAR Board, elected officials, and staff with basic information about your organization, and its abilities to carry out a STAR project.

1. Please describe your organization (i.e. its history, structure, business, membership, purpose etc.)

Sparc's mission is to create and maintain healthy, affordable, and sustainable neighborhoods by improving residential and commercial vitality in the Hamline Midway, South Como, and North End neighborhoods of St. Paul.

Sparc was created in 2003 by the merger of two local community development corporations: North End Area Revitalization, Inc. (NEAR) and the Hamline Midway Area Rehabilitation Corporation (H-MARC). NEAR & H-MARC have over 30- years of designing and implementing community-based programs to meet neighborhood needs. Together, they helped over 1,000 homeowners and business owners invest more than \$23 million in the Hamline Midway, North End, and South Como neighborhoods.

Sparc is governed by a 14-member Board of Directors consisting of neighborhood residents and representatives of local businesses and institutions.

2. What is your status as a legal entity? (i.e. corporation, partnership, nonprofit, proprietor, etc.)

Non-profit 501(c)3

3. Who will be the designated project manager? Allison Sharkey
Describe her/his background, skills and experience in managing similar-type projects.

Allison Sharkey was Sparc's Business Development Program Manager for 4 years and has recently been promoted to Associate Director. She has managed the completion of dozens of construction projects utilizing STAR grants and loans and has implemented STAR programs including the Rice Street Improvement Program and Snelling Avenue Façade Improvement Program.

4. Do you have an adopted\official conflict-of-interest policy? If so, please summarize or attach.

Yes Sparc's conflict-of-interest policy was adopted into its bylaws.

When directors or others affiliated with the corporation, or their family members have a personal or special interest in a contract or transaction involving the corporation, a conflict of interest arises and shall be addressed as set forth in this Article XVII. When a director has a conflict of interest, the director shall abstain from discussing or voting on the contract or transaction. It is the responsibility of each director, officer, committee member and staff person (hereinafter referred to as Sparc person) of the corporation to discharge his or her duties in good faith, in a manner the person reasonably believes to be in the best interests of the corporation and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. When there is a conflict of interest, the contract or other transaction is not void or voidable if, at a meeting of the Board or a committee authorized by the Board at which the contract or transaction is authorized, approved or ratified:

- a) The contract or transaction was, and the person asserting the validity of the contract or transaction sustains the burden of establishing that the contract or transaction was fair and reasonable as to the corporation at the time it was authorized, approved or ratified; or
- b) The material facts as to the contract or transaction and as to the Sparc Person's or their family member's interest are fully disclosed or known to the Board or the committee, but the interested person shall not be counted in determining the presence of a quorum and shall not vote.

For the purposes of this section, a Sparc Person does not have a material financial interest in a resolution fixing the compensation of a Sparc Person even though the first Sparc Person is also receiving compensation from the corporation; and a Sparc Person has a material financial interest in each organization in which the Sparc Person, or the

spouse, parents, children and spouses of children, brothers and sisters and spouses of brothers and sisters of the Sparc Person, or any combination of them have a material financial interest.

If the corporation deals with a third party with more stringent conflict of interest requirements and the third party requires the corporation to adhere to the third party's requirements, the Board, or a committee authorized by the Board, will adopt and implement policies to ensure adherence to the third party's requirements.

5. If you have received City funds within the past five years, please identify below or attach a separate list:

YEAR	PROGRAM	AMOUNT	BALANCE
2010	CIB Deferred/Forgivable Loans	\$477,000	\$337,709
2010	CIB Stability Loans	\$100,000	\$100,000
2010	CIB – Capitol Backyard Business Fund	\$100,000	\$100,000
2009	2009 Year Round Lead Window Replacement Program	\$32,500	\$22,735
2009	2009 Lead Window Replacement Project	\$25,000	\$5,745
2008	STAR-New Horizon Academy Playground Project	\$30,000	\$0
2008	STAR-North End Commercial Development Program	\$70,000	\$42,617
2007	Mama's Pizza Renovation	\$6,825	\$0
2007	STAR-Blooming Rice Street	\$25,000	\$0
2007	Lead Window Replacement Program	\$35,000	\$0
2007	Neighborhood Housing Revitalization Program NHRP-Third Round of Funding	\$200,000	\$0
2007	Neighborhood Housing Revitalization Program NHRP-Second Round of Funding	\$72,223	\$0
2006	STAR-Energy Efficiency & Lead Abatement Project	\$65,000	\$0
2006	STAR-Lonetti's Lounge	\$35,000	\$0
2006	STAR-Snelling Avenue Façade Program	\$150,000	\$17,513 (all of which has been committed)
2006	STAR-North End Façade Improvement Program	\$70,000	\$0
2006	2006 CIB Forgivable/Deferred Loans	\$523,000	\$0
2006	STAR-Lead Window Replacement Program	\$20,000	\$0

Section B: Financial Information

ORGANIZATION MANAGEMENT Proprietor, partners, officers, directors, governors and all holders of outstanding stock (100% of ownership must be shown.) Use a separate sheet if necessary.

NAME AND TITLE	COMPLETE ADDRESS	% OWNED
Daniel Ward, President	1234 N Dale, St Paul MN 55117	
Dick Swanson, VP	757 S Cleveland, St Paul MN 55116	
Dennis Prchal, Treasurer	1740 Rice, St Paul MN 55113	
Harriet Mednick, Secretary	1783 Thomas, St Paul MN 55104	

Do you have affiliate and/or subsidiary firms (20% or more ownership in other entities)? If so, please provide the last fiscal year end financial statements for the listed firms.

If your business is a franchise, include a copy of the franchise agreement and the franchiser's FTC disclosure statement.

PLEASE PROVIDE THE FOLLOWING (check if attached or "N/A" if not applicable):

- ☒ A current balance sheet and a current operating statement. (Last business quarter)
- ☒ Aging of accounts receivable/accounts payable as of the date of the current balance sheet.
- ☒ A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules.
- ☒ Detailed cash flow projections for 12 months of operation or a projected annualized income statement with assumptions.
- N/A A copy of existing or proposed purchase agreement or lease agreement. (Provide appraisal, if available.)
- N/A If project involves construction, please include specifications and contractors' estimates.
- N/A If project involves the purchase of fixed assets, please include purchase agreements or vendor quotes.
- ☒ If a corporation, please provide articles of incorporation and bylaws.
- N/A If a partnership, please provide partnership agreement.
- N/A If LLC, please provide articles of organization.
- ☒ Copies of last three years business tax returns.
- N/A Current personal financial statements for partner, officer, owner, and each stockholder with 20% or greater ownership.
- ☒ Resumes of principals and key management.
- N/A If this project includes bank participation, please provide a bank commitment letter.

I. BANK REFERENCES

BANK	ACCOUNT OFFICER	PHONE
Barry Super	Western Bank	651-290-7820
Mike Remmers	Capital Bank	651-488-2516
Jim Conrad	University Bank	651-265-5600

II. TRADE REFERENCES

COMPANY	CONTACT PERSON	PHONE

III. DEBT SCHEDULE

See attached

IV. ACCOUNTANT

Name Harrington Langer_____

Address 563 Phalen Blvd, St Paul MN 55130_____

Phone/e-mail 651-251-4360

V. LAWYER

Name _____

Address_____

Phone/e-mail _____

Sparc Job Creation and Retention Fund Guidelines

Purpose:

- The purpose of the Fund is to stimulate job retention and creation and encourage business improvement and development by providing needed financing to employers and commercial property owners in Sparc's service area. This program is funded by the City of Saint Paul's Neighborhood STAR fund.

Boundaries:

- Commercial properties located within the boundaries of District 6 and District 11, as well as within three blocks of Rice Street in District 7, are invited to apply.

Public benefit:

Projects must result in three or more of the following priorities:

- Support the vitality of the manufacturing, construction, service, and other industries
- Generate private investment
- Increase energy efficiency and/or stormwater retention
- Improve the visual quality of area commercial buildings
- Provide for the creation and expansion of commercial opportunities
- Increase market value and demand for commercial properties
- Consistent with neighborhood plans

Site Control:

- Applicants should have site control of the property through ownership, contract for deed, purchase agreement, or lease.
- Applicants who are tenants must have a signed lease and the property owner's written approval.

Application Process and Selection Criteria:

Applications should be submitted to Sparc. Sparc's Business Development Committee and/or its subcommittee will review applications.

Projects that propose to have a major visual impact will be considered high priorities. Applicants who invest a higher percentage (more than a 1:1 ratio) of private money into the project will receive greater consideration. Matching funds may be in the form of cash, bank loan, or other sources of non-City investments. No more than 20% of the project costs may be soft costs (limited to architectural and engineering fees, environmental studies, and surveys). Up to 30% of the match may be volunteer labor or sweat equity with a value of \$10.00 per hour. Maximum grant will be less than \$25,000 per project unless a waiver is granted by the Business Development Committee. Work done prior to application is not eligible.

Other considerations are as follows:

- Businesses must be located within the geographical boundaries listed above.
- Development will create an environment where commercial activity and residential uses coexist in an aesthetically pleasing way.
- Must be financially sound with the intent to remain in operation for at least 7 years.
- Sparc, in its sole discretion, shall make the sole determination of the amount of loan and/or grant even in the event that the approved amount is less than the maximum eligible amount.

Selection process:

Sparc staff will assist each applicant with the application process. Applications will be presented to Sparc's Business Development Committee (BDC) for consideration. The BDC is comprised of Sparc board members, business owners, bankers, and practitioners in community and economic development. BDC will make funding decisions based on the criteria set forth in these guidelines.

NOTE: Sparc reserves the right to limit the amount of grants and loans at any time based on the availability of funds.

Risk rating will be used to determine whether the business qualifies for a loan. The following will be considered:

Management Competency/ Experience

Cash Flow/Coverage

Profitability

Guarantor/Borrower's Personal Financial Strength

Collateral

Credit Score/Repayment history

Loans applicants will be considered under Sparc's underwriting criteria, which include the following requirements:

Loan to Value: .90

Debt Coverage Ratio: 1.10-2.50

Income to Expense Ratio: Less than 1.1:1

Collateral = 1:1

Project Administration and Compliance:

- Sparc staff will administer STAR funding. Staff will assist business owners during the predevelopment and construction phases. Staff will assist in ensuring that labor standards and other requirements that govern federal, state and city funds are met.
- Little Davis-Bacon Labor Standards will apply to all projects that use \$10,000 or more of city funds.
- Sparc will utilize good faith efforts to assist business owners in obtaining competitive bids from general and sub-contractors including those who are certified through the City's Vendor Outreach program.
- Projects must meet the City's living wage requirements and business subsidy regulations.
- Approved applicants must comply with City zoning ordinances and must follow all applicable City building permit procedures.

Reimbursement

Reimbursement to the Grantee shall be made for completed and installed work on a reimbursement basis.

Reimbursement Requests.

Whenever the Grantee desires to obtain a disbursement (which shall not exceed one (1) disbursement per month), the Grantee shall submit to Sparc a reimbursement request which shall include an itemized invoice from the contractor which must be accepted and signed by the Grantee. The reimbursement request must include a written lien waiver from each Contractor for work done and materials, evidence satisfactory to Sparc that the improvements have been completed in accordance with the plans, specifications and proposals. If applicable, documentation that all work requiring inspection by municipal or other governmental authorities having jurisdiction has been duly inspected and approved by such authorities and by the rating or inspection organization, bureau, corporation or office having jurisdiction, and that all requisite certificates of occupancy and other approvals have been issued

Terms:

- Commercial tenant must have a signed lease and the property owner's written approval.
- Written notice from Sparc that grant has been approved is necessary before work begins and before applicant is eligible to receive funds.
- Business owners must agree to maintain improvements for a minimum of seven years.
- Business owners must agree to share annual financial statements with Sparc for the two fiscal years following the grant award.
- Loan terms are as follows:
 - Construction / real estate 10 years
 - Leasehold improvements Lease Term
 - Fixed equipment 7 years, or life of the equipment or lease, whichever is less
- Occupancy Requirements

It is required that the grantee will occupy or own the renovated site for at least seven years from the date of projection completion. If the grantee vacates the site prior to that time, the grantee may be required to pay the grant back to Sparc on a declining basis. The schedule of grant repayment is as follows:

Period	Amount Repaid	Amount Forgiven
Project completion to 1 year	100%	0%
After 1 full year to 3 years	67%	33%
After 3 full years to 5 years	33%	67%
After 5 full years to 7 years	0%	100%



2010-2011 Board of Directors

Daniel Ward, President

Board member since 2006

Term expires 2012

Committees: Executive, Housing
Principal, The Bethel Group, Inc.
Resident

1234 Dale Street North

Saint Paul, Minnesota 55117

Work: 612-807-7710

Fax: 651-488-7851

Email: thebethelgroup@yahoo.com

Harriet Mednick, Secretary

Board member since 2001

Term expires 2012

Committees: Executive, Finance,
Housing

Senior Chore Service

Resident

1783 Thomas

Saint Paul, Minnesota 55104

Home: 651-642-9744

Email: hjm@usfamily.net

Dick Swanson, Vice President

Board member since 2006

Term expires 2012

Committees: Executive, Finance

Vice President, Pinehurst Bank

757 Cleveland Avenue S., Suite 100

Saint Paul, Minnesota 55116

Work: 651-259-1226

Fax: 651-259-1233

Email:

Richard.Swanson@pinehurstbank.com

Chris Worthington, Immediate Past President

Board member since 2002

Term expires 2012

Committees: Executive, finance

Engineer, Conwed Plastics

Resident

1370 Lafond Avenue

Saint Paul, Minnesota 55104

Home: 651-646-6130

Email: mtudude33@msn.com

Dennis Prchal, Treasurer

Board member since 1984

Term expires 2012

Committees: Executive, Finance

President, Western Insurance Agency

1740 Rice Street, Suite 200

Saint Paul, Minnesota 55113

Work: 651-489-4119

Fax: 651-489-0507

Email: dprchal@wiagecy.com

Dan Bayers
Board member since 2007
Term expires 2010
Committees: Business, Housing
Project Manager, City of Saint Paul,
Department of Planning and Economic
Development
25 West Fourth Street, Suite 1100
Saint Paul, Minnesota 55102
Work: 651-266-6685
Fax: 651-228-3314
Email: dan.bayers@ci.stpaul.mn.us

Steve Boland
Board member since 2009
Term Expires 2012
Committees:
Principal, Message Power, Inc.
556 Selby Avenue
Saint Paul, Minnesota 55102
Phone: 651-261-5028
steve@steveboland.com

Jennifer Cassidy
Board member since 2004
Term expires 2012
Committees:
Principal, Saint Bernard's School
170 Rose Avenue
Saint Paul, Minnesota 55117
Work: 651-489-1338
Fax: 651-489-9203
Email: jcassidy@saintbernards-school.org

Tom Fashingbauer
Board member since 2003
Term expires 2010
Committees:
Director, North End Community
Foundation
197 Geranium Avenue West
Saint Paul, Minnesota 55117
Work: 651-489-9623
Fax: 651-489-4811
Email: Tfashingbauer@NECF.org

Paul Horvath
Board member since 2005
Term expires 2010
Committees: Business
Owner, Home and Builders Service Co.
Resident
1191 Marion
Saint Paul, Minnesota 55117
Home: 651-488-8799
Fax: 651-488-5771
Email:
homeandbuildersservice@yahoo.com

Julie Lucking
Board member since 2006
Term expires 2012
Committees:
Macalester College
Resident
1032 Virginia Street
Saint Paul, Minnesota 55117
Home: 651-489-4854
Fax: 651-696-6438
Email: lucking@macalester.edu

Nene Matey-Keke
Board member since 2007
Term expires 2010
Committees:
Post Office Box 8626
Minneapolis, Minnesota 55408
Phone: 612-720-2645
Email: mateykeke@gmail.com

Katya Piling
Board member since 2009
Term expires 2012
Committees:
Associate Director
Seward Redesign
1916 Laurel Avenue
Saint Paul, Minnesota 55104
Cell: 612-867-3656
Email: katya@sewardredesign.org

Lane Thor
Board member since 2009
Term expires 2012
Committees:
Ramsey County Assessor
181 Stallion Lane
Lino Lakes, Minnesota 55014
Phone: 651-266-2218
Email: lane.thor@yahoo.com



Hamline Midway Coalition

DISTRICT 11 COMMUNITY COUNCIL

1564 LAFOND, ST. PAUL MN 55104 • 651.646.1986 • www.hamlinemidway.org

March 30, 2011

Kerry Antrim, Chair
Neighborhood STAR Board
c/o Michele Swanson
25 W. 4th Street Suite 1400
Saint Paul, MN 55102

Chair Antrim,

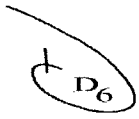
Hamline Midway Coalition is pleased to support the **Sparc Job Creation and Retention Fund**.

This unique program will create a revolving loan and grant pool available to small companies to support job retention and creation in Hamline Midway and other neighborhoods. These companies are important employers in our communities. Although this project is a departure from Sparc's past programs, which focused primarily on commercial corridor storefronts, we believe Sparc has the experience to make this a successful program.

Thank you for your consideration.

Sincerely,

Michael Jon Olson
Executive Director



District 6 Planning Council

171 Front Avenue
Saint Paul, MN 55117
651-488-4485 fax: 651-488-0343
district6ed@dist6pc.org

March 23, 2011

Matthew Ides
Executive Director
Sparc
843 Rice Street
Saint Paul, MN 55117

On March 22, 2011 you attended a District 6 Planning Council Land Use Task Force meeting and requested support for Sparc's Neighborhood STAR application for a Job Creation and Retention Fund.

District 6 is in the process of creating a Small Area Plan that will encompass the industrial sites found on the southern boundaries of District 6 and this program will provide matching dollars for long-term capital improvements for our industrial businesses.

After discussion, the Task Force voted to support this application with the understanding that the funds will go to industrial sites within the North End. District 6 hopes the STAR Board will agree and will also support this new and innovative program.

Please contact the office if you have questions and thank-you for recognizing the need to improve our industrial sites.

Regards,

Jeff Martens

Jeff Martens
Board of Director's Vice Chairman
Land Use Task Force Chairman

Cc: Ward 5
Ward 1

An Affirmative Action/Equal Opportunity Employer



CITY OF SAINT PAUL
OFFICE OF THE CITY COUNCIL

LEE HELGEN
Councilmember

Kerry Antrim, Chair
Neighborhood STAR Board
c/o Michele Swanson
25 W. 4th Street Suite 1400
Saint Paul, MN 55102

March 30, 2011

Chair Antrim and STAR Board Members:

I am writing in support of the proposed Sparc Job Creation and Retention Fund, which would bring needed incentives to strengthen employment opportunities in the North End.

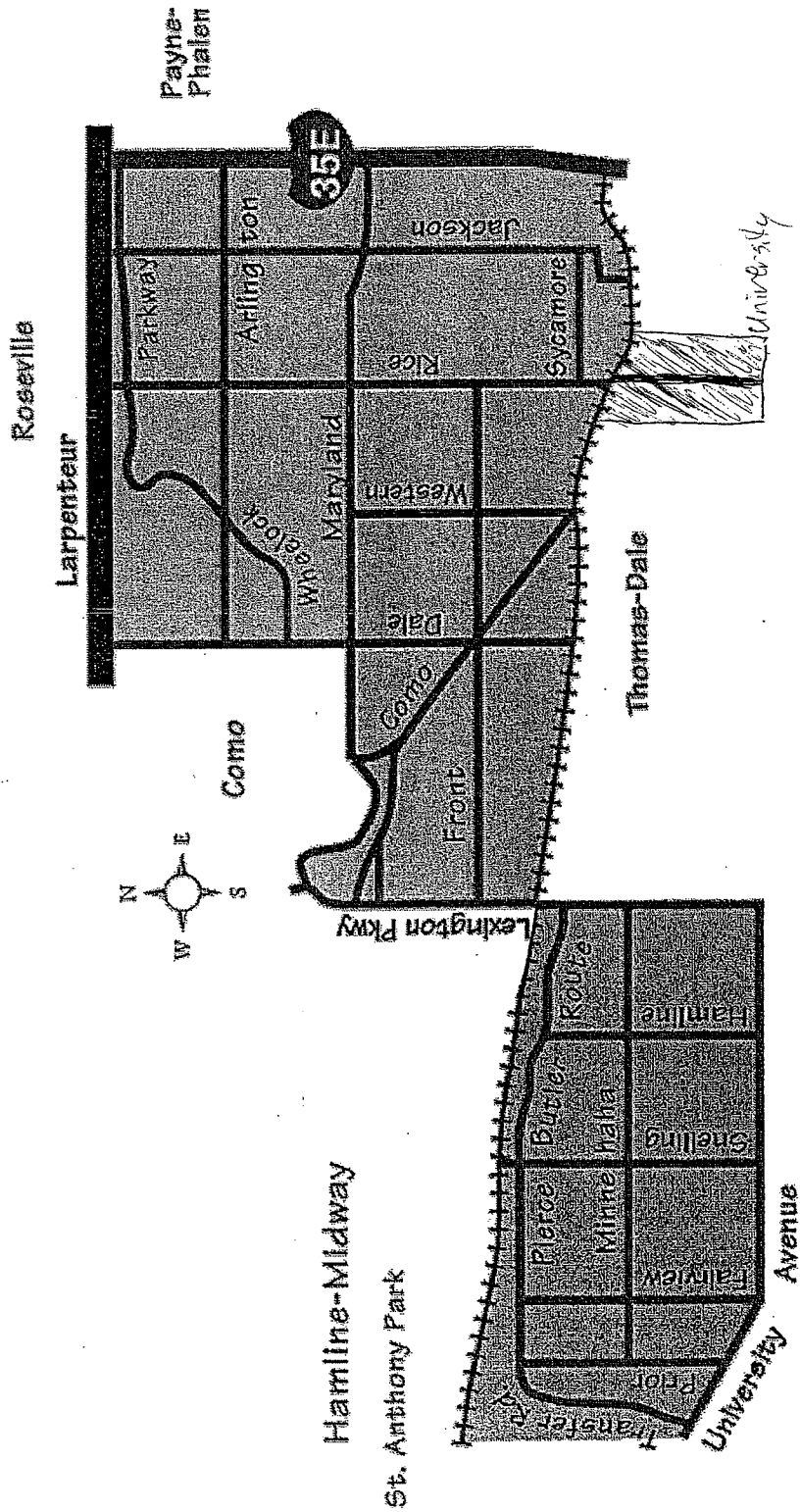
Sparc has done great work in providing incentives for business investment in the neighborhood. In 2010, Sparc invested just under \$150,000 in commercial loans and grants, which in turn attracted \$2.7 million in private financing.

Their new focus with this fund will be light industrial and service-oriented businesses. These are the businesses in our neighborhood that may not be as visible as those on our commercial corridors, but they provide hundreds of local jobs.

Thank you for your support of Sparc's proposed fund.


Lee Helgen
Councilmember, Ward 5

North End neighborhood



2011 Neighborhood STAR Program Loan & Grant #11-118

Section A: Proposal & Organization Information

Project Name: 2011 Lead Window Replacement Program Wards: 1, 2, 4, 5, & 7 Planning Districts: 5, 6, & 11.

Legal Entity Submitting Request: Sparc

Please check organization type(s): Public ☐ For Profit ☐ Non-Profit ☒

Mailing Address: 843 Rice Street St. Paul MN 55117
STREET CITY STATE ZIP

Contact Person For This Request: Matthew Ides

Daytime Phone: (651) 488-1039 ext 102 Fax #: (651) 488-6309 Federal Tax I.D. # 41-1707848

E-mail Address: matthew@sparcweb.org

Proposal Location: Various locations in aforementioned Districts

STAR Funding Request:

Grant request \$ 25,000

Loan request \$ 0 proposed interest rate and term: _____

Total STAR Request: \$ 25,000 (total from page 7)

Total Match Leveraged: \$ 152,500 (total from pages 7 & 8)

The following compliance issues may apply to your proposal and can be reviewed on the City of Saint Paul's website: <http://www.stpaul.gov/index.asp?NID=2659>

- * Vendor Outreach Program: Goals apply to *all projects* receiving city funding
- * Federal Davis Bacon Requirements: Projects funded with \$2,000 or more of *federal* dollars
- * Little Davis Bacon Requirements: Projects funded with \$10,000 or more of *city* dollars
- * Two Bid Policy: Projects receiving \$20,000 or more of city funds
- * Business Subsidy: May apply to recipients of grants of \$25,000 or more and loans of \$75,000 and over
- * Affirmative Action: Entities receiving \$50,000 or more of city funds within a 12-month period
- * Living Wage: Entities receiving \$100,000 or more of city funds
- * Project Labor Agreement: Entities receiving \$250,000 or more of city funds
- * Section 3: Economic opportunities to low income persons or business concerns residing close to the project's location
- * Sustainability Initiative: A plan to make future development projects more environmentally and financially sustainable

We authorize Planning and Economic Development to order a consumer credit report and verify other credit information, including past and present mortgages and contract for deeds, as necessary to process our STAR application.

Individual Completing the Application:

Cindy Fowler Financial Manager 3/31/11 Cindy Fowler
Name (please type) Title Date Signature

Chief Officer or President:

Matthew Ides Executive Director 3/31/11 Matthew Ides
Name (please type) Title Date Signature

II. PROPOSAL INFORMATION:

1. Please provide a description of your project or program in the space provided:

This program will help owners of single family homes with children under the age of 6 earning less than 80% of the Twin Cities Area Median Income replace their windows that contain lead paint. Sparc will take the lead on the project and act as the contract and fiscal agent. Sparc will partner with the East Side Neighborhood Development Company (ESNDC) and the funding will be split among the two CDCs. Each of the CDC's are located within neighborhoods included in the *Invest St. Paul* initiative and this program will help the initiative's central goal of making St. Paul "The Most Livable City in America". A basic agreement about the relationship is included in this application.

The goal of this program is to reduce the exposure of lead to young children during their biologically formative years. The effects of elevated blood lead levels in children are serious and irreversible. It is well documented that elevated blood levels in children can damage the central nervous system, kidneys, and reproductive systems. A major source of lead poisoning comes from the dust released through the friction of opening and closing of windows that contain lead paint. In addition to replacing the windows, this program will also address any destabilized lead paint found elsewhere in the home. An added program benefit is the education homeowners receive from Sparc and Public Health about the adverse effects of lead paint and how it can be properly maintained.

Not only will this program help reduce lead hazards in the home, it will also make the homes more energy efficient. A majority of the windows in older homes use the weight and pulley system. On an average sized window, the uninsulated space that contains the weights and pulleys is four inches wide and the height is equal to the height of the window. When the replacement windows are installed, those cavities will be fully insulated. If we replace 10 average sized windows in a home that uses the weight and pulley system, this program will help insulate an additional 20 squarefeet of wall space! In addition, the new windows will fit better, and thus be more energy efficient than the old windows, further increasing the energy savings.

For this program, Public Health has prepriced windows from local manufactureres. Thus, the total project costs will be well below market costs since there will be a no contractor markup on the cost for the windows. HUD certified lead-safe work contractors were selected through a RFP process. Of the three contractors selected to install windows through this program – two are certified through the City's Vendor Outreach Program as small and women owned businesses. In addition, all three are Certified through the City's Section 3 program.

If necessary, Public Health will move the family out of the home during the rehabilitation and provide hotel rooms free of charge. This will ensure that the project is completed in two days or less, and that the children will not be exposed to any lead dust created through the rehabilitation process.

2. Briefly describe, in quantifiable terms, the specific results of this proposal (*i.e.: 10 houses rehabbed in 2 years; 5 jobs created by business expansion; 15,000 sq. ft. Community Center addition.*)

While the grant amounts can vary greatly from project to project, based upon the results of our 2009 Small STAR projects, we estimate completing 30 projects.

3. Please explain the public benefit of your project:

Replacing the windows with new durable and energy efficiency windows will make the home more comfortable, lead safe, and conserve energy. The public will benefit from the reduction of lead based paint on the windows. Oftentimes this paint is released outdoors from the exterior of the windows infecting soils.

II. NEIGHBORHOOD PLANNING/COMMUNITY SUPPORT: Community involvement is a critical part of the STAR program. In this section you are being asked to identify the participation of neighborhood and community groups in your proposal.

1. Will your project be coordinated or partnered with any other project, program? If yes, please describe:

Yes, we will work directly with Public Health to complete these projects.

2. Is this proposal identified as part of an adopted city, neighborhood, or business plan? If yes, please describe: (Neighborhood plans can be found @ www.stpaul.gov/index.aspx?NID=3446)

This project fulfills many of the goals of the Hamline Midway's Community Plan, the North End/South Como Comprehensive Plan, and the East Consolidated Small Area Plan.

This project helps implement the Hamline Midway Community Plan's Vision for Housing:

- ✓ Strategy Two – Improve access to housing maintenance assistance programs
- ✓ Strategy Four – Maintain the existing housing stock

This proposal addresses many of the North End/South Como Comprehensive Plan's action items:

- ✓ Goal 1 – Objective 2: Reduce health hazards
- ✓ Goal 1 – Objective 6: Reduce the risk of lead exposure
- ✓ Goal 2 – Objective 3: Encourage property owners to improve and maintain their home and businesses

This proposal helps to achieve many of the goals and strategies from the East Consolidated Small Area Plan:

- ✓ Rehabilitate Individual Structures
 - ESNDC is encouraged to continue its work of assisting with the rehabilitation of individual properties as a means of encouraging investment and building neighborhood stability.
- ✓ 4. Invest in Families
 - 'Collaborate with existing agencies to provide health and human resources to area families in need.'
- ✓ Strategy 4- Housing code enforcement should be strengthened.
 - Ensuring that resources for rehabilitation of deteriorating properties are available, accessible, and affordable to homeowners.
- ✓ Strategy 8- The City and ESNDC should work together to better target, market, and ease access to existing City Rehab and mortgage loan programs, including the middle income owner rehab program.
 - City housing programs seem to be most effective when they are marketed through neighborhood based organizations and/or tailored to address the particular neighborhood circumstances.

3. Is there neighborhood\community support for this proposal? YES X NO ____ Please explain:

See attached letters of support.

III. PUBLIC COST: This section helps define the financial impact of your request on the general public. Please be as accurate as possible:

1. Will this project/program result in a change in the tax base? If yes, please complete the following:

_____ Current property taxes payable per year

_____ Estimated taxes after project is completed

_____ Net change in taxes per year

2. For proposals that remove property from the tax rolls, you'll need to calculate a Payment in Lieu of Taxes (PILOT) that will replace the lost property tax revenue. Suggested minimum is 25% of the total current taxes to assist with basic safety services to be paid for 20 years or the term of the agreement, whichever is longer. **The estimated PILOT is:** _____.

IV. PROJECTED JOB CREATION / RETENTION

[] Job Impact [X] No Job Impact	Year 1	Year 2	Year 3	Year 4	Year 5
# of New Full-Time Permanent Jobs CREATED Each Year					
# Of Full-Time Permanent Jobs RETAINED Each Year					
#OF FULL-TIME PERMANENT JOBS LOST Each Year					
# of Construction/Temporary Jobs CREATED Each Year					
Average Wage for Full-Time Permanent Workers					

V. STAR PROJECT / PROGRAM ACTIVITIES: The Neighborhood STAR Program provides funding for a variety of activities. **Please complete the one section only that best describes your proposal:**

A. Development/Redevelopment; B. Open Space Improvement; or C. Re-lending/re-granting Program:

A. Commercial or Residential Development/Redevelopment Project: If you are requesting funds for a commercial or residential development/redevelopment project, please complete the following section:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

Support Vitality of Industry	Incr. Women/Minority Businesses	Address Special Housing Needs
Stablize Market Value	Encourage Entrep'ship	Retain Homeowners in the City
Provide Self-Employment Opt's	Generate Private Investment	Maintain Housing Stock
Create Local Business	Support Commercial Activity	Incr. Home Ownership Stock
Retain Local Business	Heritage Preservation	Provide Affordable Housing

2. Before a development proposal may proceed, you must have control of the property. Please indicate the type of site control you have: Deeded Title ____ Purchase Agreement ____ Purchase Option ____ Existing Lease ____ Lease Agreement ____ Other ____ Comments:

3. a. Type of development: New Construction _____ Rehabilitation/Expansion _____
- b. Describe the current use of space (number of units, sq. ft., commercial, residential, etc.)
- c. List the proposed use of space (office, retail space, housing units, etc.)
- d. Will the proposal provide the leasing of space? YES ____ NO ____ If yes, please provide:

PROSPECTIVE TENANTS	SQUARE FOOTAGE	RENT PER SQUARE FOOT	IS LEASE SIGNED?

4. Anticipated start date? _____ Estimated completion date? _____
5. If this request is for a new business start-up, **please attach** your business plan.
6. Has a developer, architect, general contractor, and/or leasing and management firm been selected?
Yes _____ No _____ If yes, please identify:
7. Have detailed cost estimates been prepared? Yes ____ No ____ If yes, **please attach**.

PLEASE NOTE: Economic development activities may be subject to both the City's Living Wage and Business Subsidy requirements. For more information, please visit the city's website: <http://www.stpaul.gov/index.asp?NID=2659>.

----- **If you completed Section A, you are finished with Item VI. proceed to page 7, Item VI.** -----

B. Public / Private Open-Space Improvement Projects: STAR money has been used to finance important public and private open-space improvements in our community. These include playgrounds, streetscapes, or improvements to various public facilities. **If you are applying to fund a public or private open-space improvement project** please complete the following:

1. Define the type of public benefit that can be expected. Place a "1" next to the primary benefit, a "2" next to the secondary benefit and complete the tax base data (*if applicable*) in the following chart:

<input type="checkbox"/>	Remove Blight/Pollution	<input type="checkbox"/>	Improve Health/Safety/Security		Increase/Maintain Tax Base < current tax production: < est'd taxes as built: < net tax change + or -:
<input type="checkbox"/>	Rehab. Vacant Structure	<input type="checkbox"/>	Public Improvements		
<input type="checkbox"/>	Remove Vacant Structure	<input type="checkbox"/>	Goods & Services Availability		
<input type="checkbox"/>	Heritage Preservation	<input type="checkbox"/>	Maintain Tax Base		

2. Please describe your previous experience with public or private open-space improvement projects:

3. Describe the components included in your proposal, and approximate locations (i.e. streetlights, benches, boulevard trees, playground equipment, park improvements, etc.).

4. Explain how this project will be maintained over the life of the improvement:

5. Anticipated start date? _____ Completion? _____

6. Please list the City department(s) and person(s) with whom you have discussed your proposal:

7. Do you have a construction cost estimate either from, or approved by, the City department and contact listed in #6 above? YES ____ (estimate attached) NO ____.

8. Have businesses and/or homeowners been approached regarding any required assessments to their property? YES ____ NO ____ If yes, please indicate:
 - a. How many properties will be affected? residential _____ commercial _____
 - b. How many have agreed to pay assessments? residential _____ commercial _____

----- if you completed Section B, you are finished with Item VI. proceed to page 7, Item VI. -----

C. Re-Lending / Re-Granting Program for Housing or Businesses: **This needs to be completed** if you are requesting funds to administer a re-lending / re-granting program:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

Support Vitality of Industry	Incr. Women/Minority Businesses	Address Special Housing Needs
Stabilize Market Value	Encourage Entrep'ship	Retain Homeowners in the City
Provide Self-Employment Opt's	Generate Private Investment	1 Maintain Housing Stock
Create Local Business	Support Commercial Activity	Incr. Home Ownership Stock
Retain Local Business	Heritage Preservation	2 Provide Affordable Housing

2. Anticipated program start date? August 2011 Completion? July 2013

3. Please list the number of units (houses or businesses) to be assisted: 30

4. Briefly summarize how you will select program participants (i.e. income of recipients, requirements for match funds, cash vs. sweat equity.)

Program participants will be selected on a first come, first served basis upon submitting a completed application. Basic requirements include:

1. Home owner occupied single family homes or duplexes in the eligible area

2. Gross household income of less than 80% of the area median income (AMI)
3. A child under the age of six residing in the home

5. Describe you and/or your partner's experience and capacity for operating a loan or grant program:

Sparc has managed well over 15 projects that are similar in terms of scope and responsibilities. In fact, Sparc has overseen the Lead Window Replacement Program for over 6 years. Sparc has an extensive history of successfully completing programs from the initial stages of marketing and screening applications, closing the loans and monitoring construction, and ensuring that the contractors perform to the high standards dictated by Sparc and the City of St. Paul.

6. How will this program differ from existing City housing or business programs?

The City does not offer any small scale incentivized grant programs that leverage large sources of funds from project partners. This program is only coordinated in St. Paul by local CDCs.

7. Will this program coordinate with other City programs? Yes ____ No X If yes, please explain:

8. a. Are you planning to provide loans? Yes ____ No X grants? Yes X No ____ If yes, what type of terms or conditions will be required? (i.e. will there be a mortgage or lien on sub-grantees' property? Occupancy requirements? Will the loan come due if property is sold or rented?)

The three main grant requirements will be that:

- Owner occupied single family homes or duplexes
- Household must earn less than 80% of the area median income
- There must be a child under the age of six residing in the home

b. What kind of loan underwriting criteria do you envision? (i.e. collateral, debt-to-income ratio)

None as this is structured as a grant program.

9. **Please attach program guidelines.**

VI. SOURCES AND USES: Please attach an itemized budget or contractors' estimates where applicable. Itemize use of STAR funds, private match and non-matching funds for the entire project:

CATEGORY	STAR LOAN REQUEST	STAR GRANT REQUEST	MATCHING FUNDS	NON-MATCHING FUNDS*	TOTAL
Acquisition					
Rehabilitation:					
residential		\$22,500	\$150,000		\$172,500
commercial					
New Construction:					
residential					
commercial					

Public Improvements					
Private Open Space Improvements					
** Direct Project Costs		\$2,500	\$2,500		\$5,000
TOTALS:		\$25,000	\$152,500		\$177,500
<i>total(s) also appear on pages 1 and 8</i>					

Line Item Examples:

Acquisition:	up to 20% of STAR funds may be used to purchase an existing building or property
Commercial/Housing Rehabilitation:	capital improvements to an existing building
New Construction:	new structure
Public Improvements:	streetscape, play equipment, park benches, permanent signs, exterior lighting etc. on public property
Private Open Space Improvements:	playground, community garden etc. on private property

*** Please List** the additional funds being used on this project that do not qualify as matching contributions (i.e. city grants from CDBG, TIF, CIB or the HRA)

****Direct Project Costs (Soft Costs)** - Up to 20% of STAR funds may be used for soft costs (i.e. acquisition, architect, engineering, legal and loan fees, environmental testing, permits, licenses, etc.) Eligible soft costs do not include **general** administrative fees, marketing, or operating costs. **Please itemize and describe soft costs:**

- The Direct Project costs from the STAR grant will help process pay requests, monitor the construction process, and provide escrow services - \$2,500

Direct Project Management will include processing pay requests, escrow services, and construction oversight. To ensure the homeowner match, the respective CDCs will collect these funds and hold them in escrow prior to the project start. The CDCs will not release these funds to the contractor until the project is complete to the satisfaction of the homeowner, City of St. Paul Code Inspector, Public Health, and the contractor. In addition to the escrow services, the CDCs will provide construction management services to the homeowner. They will perform the initial visual lead inspection, ensure accuracy and compliance to standard construction practices, and ensure the proper installation of the windows. Lastly, the CDCs will ensure that all vested parties are happy with the work and that all applicable codes and lead requirements are passed.

VII. SOURCE OF MATCHING FUNDS: Matching funds must be *directly* related to the capital improvement proposal. Please refer to the Neighborhood STAR Guidelines (www.stpaul.gov/star) for eligible match criteria.

Please Identify Source & Type of Matching Funds	Amount	Date Available	Match Firm?
A. Estimated volunteer labor/sweat equity*:			
B. Estimated in-kind service*:			
1			

2			
3			
C. Estimate and name source of cash donations:			
1			
2			
D. Name and amount of anticipated foundation grants:			
1			
2			
3			
E. Amount of loan(s) and name of lender:			
1			
2			
F. Amount and source of private equity:			
1			
2			
3			
G. Amount, source and type of other match:			
	\$12,500	Prior to Project Start	Yes
1. Homeowner Match			
	\$140,000	Prior to Project Start	Yes
2. Grants from St. Paul – Ramsey County Department of Public Health			
3			
TOTAL VALUE OF MATCHING FUNDS**	\$152,500		

* Up to 30% of the total match may be indirect contributions including in-kind goods and services, sweat equity and/or volunteer labor. Sweat equity and volunteer labor is valued at \$15 per hour (**STAR Guidelines, page 7**)

** Same total appears on pages 1 and 7

VIII. APPLICANT INFORMATION. This section provides the STAR Board, elected officials, and staff with basic information about your organization, and its abilities to carry out a STAR project.

1. Please describe your organization (i.e. its history, structure, business, membership, purpose etc.)

Sparc's mission is to create and maintain healthy, affordable, and sustainable neighborhoods by improving residential

and commercial vitality in the Hamline Midway, South Como, and North End neighborhoods of St. Paul.

Sparc was created in 2003 by the merger of two local community development corporations: North End Area Revitalization, Inc. (NEAR) and the Hamline Midway Area Rehabilitation Corporation (H-MARC). NEAR & H-MARC have over 30- years of designing and implementing community-based programs to meet neighborhood needs. Together, they helped over 1,000 homeowners and business owners invest more than \$23 million in the Hamline Midway, North End, and South Como neighborhoods.

Sparc is governed by a 14-member Board of Directors consisting of neighborhood residents and representatives of local businesses and institutions.

2. What is your status as a legal entity? (*i.e. corporation, partnership, nonprofit, proprietor, etc.*)

Non-profit 501(c)3

3. Who will be the designated project manager? Cindy Fowler
Describe her\his background, skills and experience in managing similar-type projects.

Ms. Fowler, Sparc's Financial Manager, has over 20 years of experience working for Sparc, and its predecessor NEAR. During that time she has handled many program duties including underwriting loan and grants, closings, contractor payment disbursement, and accounting. She has an excellent understanding of the various loan and grant programs Sparc offers.

4. Do you have an adopted\official conflict-of-interest policy? If so, please summarize or attach.

Yes Sparc's conflict-of-interest policy was adopted into its bylaws.

When directors or others affiliated with the corporation, or their family members have a personal or special interest in a contract or transaction involving the corporation, a conflict of interest arises and shall be addressed as set forth in this Article XVII. When a director has a conflict of interest, the director shall abstain from discussing or voting on the contract or transaction. It is the responsibility of each director, officer, committee member and staff person (hereinafter referred to as Sparc person) of the corporation to discharge his or her duties in good faith, in a manner the person reasonably believes to be in the best interests of the corporation and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. When there is a conflict of interest, the contract or other transaction is not void or voidable if, at a meeting of the Board or a committee authorized by the Board at which the contract or transaction is authorized, approved or ratified:

- a) The contract or transaction was, and the person asserting the validity of the contract or transaction sustains the burden of establishing that the contract or transaction was fair and reasonable as to the corporation at the time it was authorized, approved or ratified; or
- b) The material facts as to the contract or transaction and as to the Sparc Person's or their family member's interest are fully disclosed or known to the Board or the committee, but the interested person shall not be counted in determining the presence of a quorum and shall not vote.

For the purposes of this section, a Sparc Person does not have a material financial interest in a resolution fixing the compensation of a Sparc Person even though the first Sparc Person is also receiving compensation from the corporation; and a Sparc Person has a material financial interest in each organization in which the Sparc Person, or the spouse, parents, children and spouses of children, brothers and sisters and spouses of brothers and sisters of the Sparc Person, or any combination of them have a material financial interest.

If the corporation deals with a third party with more stringent conflict of interest requirements and the third party requires the corporation to adhere to the third party's requirements, the Board, or a committee

authorized by the Board, will adopt and implement policies to ensure adherence to the third party's requirements.

5. If you have received City funds within the past five years, please identify below or attach a separate list:

YEAR	PROGRAM	AMOUNT	BALANCE
2010	CIB Deferred/Forgivable Loans	\$477,000	\$337,709
2010	CIB Stability Loans	\$100,000	\$100,000
2010	CIB – Capitol Backyard Business Fund	\$100,000	\$100,000
2009	2009 Year Round Lead Window Replacement Program	\$32,500	\$22,735
2009	2009 Lead Window Replacement Project	\$25,000	\$5,745
2008	STAR-New Horizon Academy Playground Project	\$30,000	\$0
2008	STAR-North End Commercial Development Program	\$70,000	\$42,617
2007	Mama's Pizza Renovation	\$6,825	\$0
2007	STAR-Blooming Rice Street	\$25,000	\$0
2007	Lead Window Replacement Program	\$35,000	\$0
2007	Neighborhood Housing Revitalization Program NHRP-Third Round of Funding	\$200,000	\$0
2007	Neighborhood Housing Revitalization Program NHRP-Second Round of Funding	\$72,223	\$0
2006	STAR-Energy Efficiency & Lead Abatement Project	\$65,000	\$0
2006	STAR-Lonetti's Lounge	\$35,000	\$0
2006	STAR-Snelling Avenue Façade Program	\$150,000	\$35,544
2006	STAR-North End Façade Improvement Program	\$70,000	\$0
2006	2006 CIB Forgivable/Deferred Loans	\$523,000	\$0
2006	STAR-Lead Window Replacement Program	\$20,000	\$0

Section B: Financial Information

ORGANIZATION MANAGEMENT Proprietor, partners, officers, directors, governors and all holders of outstanding stock (100% of ownership must be shown.) Use a separate sheet if necessary.

NAME AND TITLE	COMPLETE ADDRESS	% OWNED

Do you have affiliate and/or subsidiary firms (20% or more ownership in other entities)? If so, please provide the last fiscal year end financial statements for the listed firms.

If your business is a franchise, include a copy of the franchise agreement and the franchiser's FTC disclosure statement.

PLEASE PROVIDE THE FOLLOWING (check if attached or "N/A" if not applicable):

- ___ A current balance sheet and a current operating statement. (Last business quarter)
- ___ Aging of accounts receivable/accounts payable as of the date of the current balance sheet.
- ___ A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules.
- ___ Detailed cash flow projections for 12 months of operation or a projected annualized income statement with assumptions.
- ___ A copy of existing or proposed purchase agreement or lease agreement. (Provide appraisal, if available.)
- ___ If project involves construction, please include specifications and contractors' estimates.
- ___ If project involves the purchase of fixed assets, please include purchase agreements or vendor quotes.
- ___ If a corporation, please provide articles of incorporation and bylaws.
- ___ If a partnership, please provide partnership agreement.
- ___ If LLC, please provide articles of organization.
- ___ Copies of last three years business tax returns.
- ___ Current personal financial statements for partner, officer, owner, and each stockholder with 20% or greater ownership.
- ___ Resumes of principals and key management.
- ___ If this project includes bank participation, please provide a bank commitment letter.

I. BANK REFERENCES

BANK	ACCOUNT OFFICER	PHONE

II. TRADE REFERENCES

COMPANY	CONTACT PERSON	PHONE

III. DEBT SCHEDULE

Please list all existing business debts. Date*: _____

Creditor name	Original amount	Original date	Present balance	Interest rate	Maturity date	Monthly payment	Assets secured	Current or delinquent

Lead Window Replacement Project Guidelines

1.) Who can get Sparc Lead Window Replacement Funds?

A) **Location:** Eligible property owners must reside in neighborhoods located in Districts 5, 6 & 11, and must be single family or duplex homeowners with a child under the age of 6 that have had their homes tested positive for lead levels exceeding acceptable thresholds.

B) **Income Restricted Funds:** Lead Window Replacement grants serve low and moderate income families at or below 80% of the median income as determined by the Department of Housing and Urban Development (HUD). Gross income from all sources must not exceed the amount in the chart below (based on household size).

Matching Grant Program - Income Chart								
Household Size	1	2	3	4	5	6	7	8
Max Gross Income (all sources)	\$45,100	\$51,550	\$58,000	\$64,400	\$69,600	\$74,750	\$79,900	\$85,050

2) What kind of work can get done with the Lead Window Replacement Project?

The Lead Window matching grants will help to pay for roughly 75-87.5% of the total project costs to replace windows in the home that contain lead paint. This program will also pay to fix any destabilized lead paint found elsewhere in the home. Any of this paint not found on windows will be treated with the safe encasement system (a primer like quality paint). The homeowner will be responsible for the top coat.

3) How Much Does It Cost Me?

Each project receives a grant of 75% of the project cost up to a maximum of \$7,300. Of the remaining balance, ½ of the cost is the homeowner's responsibility; the other ½ is an additional grant. The homeowner match must be held in escrow with Sparc prior to the project start.

Example: \$6,500 project (average project cost)

Grant from Public Health of \$4,875

Balance of project cost = \$1,625 (\$6,500-4,875)

The Homeowner's match is ½ of the balance; or ½ of \$1,625 (\$812.50)

The additional STAR grant is ½ of the balance; or ½ of \$1,625 (\$812.50)

For this example \$6,500 project, the homeowner receives \$5,687.50 in grant money, and must pay for \$812.50 of the total project costs.

4) **What paperwork is needed?** To apply, the customer completes the application form and returns the form with the attachments listed on the application check list. Financial information is requested for each household member over the age of 18 who is not a full-time student:

- a. Completed application
- b. Attached "Authorization to Release Information" Form signed by all homeowners.
- c. Copies of last three months of paystubs for all household residents over the age of 18
- d. Written documentation of other income such as child support, social security, AFDC, General Assistance, self-employment, alimony, unemployment, work's comp, student grants, commissions, tips, annuities, estate or trust income, pensions, room and board, contract for deed income, etc... for all household members over 18 years of age.

(over)

5) How are applications reviewed?

Fully completed applications will be reviewed on a first come, first served basis until all of the funds are awarded.

6) When can projects get started and who manages the construction?

Work can begin as soon as the homeowner match is in escrow with Sparc. Sparc will hold the homeowner match in escrow, manage the rehabilitation with the homeowner, and make payments directly to the contractor. The family must vacate the house during the rehabilitation project. Complimentary rooms at the Kelly Inn can be provided if needed. Due to the family vacating the house, projects will take no longer than two days to complete.

7) Are inspections required for the work?

All work must meet quality standards set by the City of St. Paul, Public Health, Sparc, the contractor, and the homeowner. All permits must be signed as completed (final approval, no closed permits) by City inspectors prior to payment.

8) Payment Process

Sparc will not disburse the matching funds directly to the contractor until the following documents are correctly completed and received.

- ☐ Lien Waivers from all contractors for each payment made to them
- ☐ Change Orders to document any changes to the project, including increases or decreases in cost (if any)
- ☐ Signed final approval on City Permits

Once all the above documents have been received, Sparc will make the payment directly to the contractor within 7-10 business days.

9) Whom do I contact with Questions?

Call Cindy Fowler at Sparc at 488-1039 ext 101.

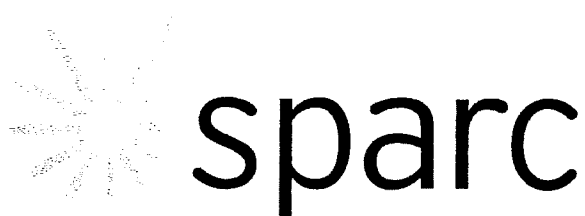
CDC Program Agreement

The funding will be split equally between the two participating community development corporations (CDCs) – Sparc, and the East Side Neighborhood Development Company (ESNDC). Each CDC will receive \$11,250 for the grant program and \$1,250.00 in direct project costs.

Sparc will contract with the City of St. Paul and act as the project's fiscal agent.

City of St. Paul reimbursement billings will be completed on a monthly basis. Sparc will collect the necessary documentation and process the billing. Upon receipt of the reimbursement check, Sparc will then reimburse ESNDC as soon as possible.

Each CDC will be responsible to bill the St. Paul – Ramsey County Department of Public Health (Public Health) directly for their projects.



2009-2010 Board of Directors

Daniel Ward, **President**

Board member since 2006

Term expires 2012

Committees: Executive, Housing

Principal, The Bethel Group, Inc.

Resident

1234 Dale Street North

Saint Paul, Minnesota 55117

Work: 612-807-7710

Fax: 651-488-7851

Email: thebethelgroup@yahoo.com

Harriet Mednick, **Secretary**

Board member since 2001

Term expires 2012

Committees: Executive, Finance,

Housing

Senior Chore Service

Resident

1783 Thomas

Saint Paul, Minnesota 55104

Home: 651-642-9744

Email: hjm@usfamily.net

Dick Swanson, **Vice President**

Board member since 2006

Term expires 2012

Committees: Executive, Finance

Vice President, Pinehurst Bank

757 Cleveland Avenue S., Suite 100

Saint Paul, Minnesota 55116

Work: 651-259-1226

Fax: 651-259-1233

Email:

Richard.Swanson@pinehurstbank.com

Chris Worthington, **Immediate Past President**

Board member since 2002

Term expires 2012

Committees: Executive, finance

Engineer, Conwed Plastics

Resident

1370 Lafond Avenue

Saint Paul, Minnesota 55104

Home: 651-646-6130

Email: mtudude33@msn.com

Dennis Prchal, **Treasurer**

Board member since 1984

Term expires 2012

Committees: Executive, Finance

President, Western Insurance Agency

1740 Rice Street, Suite 200

Saint Paul, Minnesota 55113

Work: 651-489-4119

Fax: 651-489-0507

Email: dprchal@wiagecy.com

Dan Bayers
Board member since 2007
Term expires 2010
Committees: Business, Housing
Project Manager, City of Saint Paul,
Department of Planning and Economic
Development
25 West Fourth Street, Suite 1100
Saint Paul, Minnesota 55102
Work: 651-266-6685
Fax: 651-228-3314
Email: dan.bayers@ci.stpaul.mn.us

Steve Boland
Board member since 2009
Term Expires 2012
Committees:
Principal, Message Power, Inc.
556 Selby Avenue
Saint Paul, Minnesota 55102
Phone: 651-261-5028
steve@steveboland.com

Jennifer Cassidy
Board member since 2004
Term expires 2012
Committees:
Principal, Saint Bernard's School
170 Rose Avenue
Saint Paul, Minnesota 55117
Work: 651-489-1338
Fax: 651-489-9203
Email: jcassidy@saintbernards-school.org

Tom Fashingbauer
Board member since 2003
Term expires 2010
Committees:
Director, North End Community
Foundation
197 Geranium Avenue West
Saint Paul, Minnesota 55117
Work: 651-489-9623
Fax: 651-489-4811
Email: Tfashingbauer@NECF.org

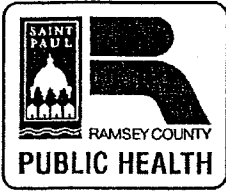
Paul Horvath
Board member since 2005
Term expires 2010
Committees: Business
Owner, Home and Builders Service Co.
Resident
1191 Marion
Saint Paul, Minnesota 55117
Home: 651-488-8799
Fax: 651-488-5771
Email:
homeandbuildersservice@yahoo.com

Julie Lucking
Board member since 2006
Term expires 2012
Committees:
Macalester College
Resident
1032 Virginia Street
Saint Paul, Minnesota 55117
Home: 651-489-4854
Fax: 651-696-6438
Email: lucking@macalester.edu

Nene Matey-Keke
Board member since 2007
Term expires 2010
Committees:
Post Office Box 8626
Minneapolis, Minnesota 55408
Phone: 612-720-2645
Email: mateykeke@gmail.com

Katya Piling
Board member since 2009
Term expires 2012
Committees:
Associate Director
Seward Redesign
1916 Laurel Avenue
Saint Paul, Minnesota 55104
Cell: 612-867-3656
Email: katya@sewardredesign.org

Lane Thor
Board member since 2009
Term expires 2012
Committees:
Ramsey County Assessor
181 Stallion Lane
Lino Lakes, Minnesota 55014
Phone: 651-266-2218
Email: lane.thor@yahoo.com



Saint Paul - Ramsey County Public Health

Zack Hansen, Environmental Health Director

Environmental Health Section

2785 White Bear Avenue North, Suite 350

Maplewood, MN 55109-1320

P: 651.266.1199 | F: 651.266.1177

March 7, 2011

Matthew Ides
Executive Director - Sparc
843 Rice Street
Saint Paul, MN 55117

Dear Mr. Ides,

I am very pleased that you are once again submitting an application to the STAR Board for funding which includes lead hazard reduction activity. The community in which your organization serves has some of the highest number of children with elevated blood lead levels in our city. Saint Paul – Ramsey County Public Health continues to target these areas for preventative lead hazard reduction work.

You continue to spend awarded HUD and STAR funds very cost effectively. We partnered with you on many rehab projects that would not have been possible without this STAR funding. We hope that you continue with these efforts as we continue to identify homes with badly deteriorated windows, covered with lead based paint, which are occupied by at risk children.

To support you in your lead hazard reduction activities we will enroll homes that you identify as having serious sources of lead poisoning into our Minnesota Lead-Safe Housing Partnership Program. This would allow the owner of that home to qualify for federal, state and city grant dollars to pay for up to 75% of the lead hazard reduction work. We will also assist in the relocation of families while the lead reduction work is completed. The value of our contribution could be up to a maximum of \$6,300 per unit.

I wish you well in your effort to secure funding to continue with this successful lead hazard control activity.

Sincerely,

A handwritten signature in cursive script that reads 'Jim Yannarely'.

Jim Yannarely

Environmental Health Supervisor
Healthy Homes and Lead Hazard Control Program
Saint Paul – Ramsey County Public Health

PAYNE PHALEN DISTRICT FIVE PLANNING COUNCIL

STRONG  SAFE  WELCOMING  CONNECTED  NEIGHBORHOODS

March 3, 2011

STAR Board
1400 City Hall Annex
25 West 4th Street
St. Paul, MN 55102

Dear STAR Board Members:

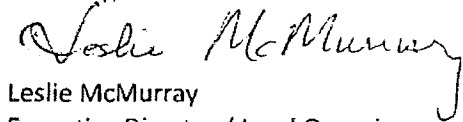
The Payne Phalen District Five Planning Council Board of Directors is pleased to support the application of East Side Neighborhood Development (ESNDC) for STAR Funds. If granted, neighborhood families will directly benefit from the ESNDC lead paint window replacement program. This program is important to assuring the health and well-being of young children in our community. The costs of not acting to address lead windows are untenable. Census 2000 showed that one in three people living in the area was under the age of 18 at that time. We have a significant population of children less than five years of age. These families are the future of our City. This grant helps us ensure a strong, healthy start for young children and safe housing for all.

The Payne Phalen neighborhood can be characterized by its older housing stock. While adding value to the neighborhood character and provides affordable housing – much of this older housing stock contains lead based paint, making the lead paint window replacement program an important priority. The area median income of the Payne Phalen neighborhood is half that of the greater Twin Cities metropolitan area. Many families are unable to address the dangers of lead windows in homes without the assistance of this program and STAR funds.

The STAR funds will leverage the resources needed for families to improve the health and safety of their homes. District Five fully supports this ESNDC program and the work to improve housing safety outcomes for Saint Paul families.

Thank you for your consideration of this proposal. If you require further information regarding this Board support, please contact Al Oertwig, Board President or feel free to contact me.

Sincerely,



Leslie McMurray
Executive Director / Lead Organizer

506 KENNY ROAD, SUITE 130, SAINT PAUL, MINNESOTA 55130-4554

TEL # (651) 774-5234  FAX # (651) 774-9745

E-MAIL: DISTRICT5@PAYNEPHALEN.ORG

WWW.PAYNEPHALEN.ORG



Hamline Midway Coalition

DISTRICT COUNCIL 11

1564 LAFOND, ST. PAUL MN 55104 • 651.646.1986 • www.hamlinemidway.org

March 8, 2011

City of St. Paul STAR Board
1400 City Hall Annex
25 West 4th Street
Saint Paul, MN 55102

Subject: Sparc's Lead Window Replacement Program

Dear STAR Board Members:

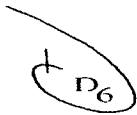
I am writing to express the enthusiastic support of the Hamline Midway Coalition (HMC) for a STAR grant proposal from Sparc for the Lead Window Replacement Program.

HMC has supported this program in the past and we readily do so again. The program addresses a serious public health threat to children in our neighborhood, particularly children in low-income families living in older houses.

Thank you for considering this request. If you need any further information, please do not hesitate to contact me.

Sincerely,

Michael Jon Olson
Executive Director
Hamline Midway Coalition
651-646-1986



District 6 Planning Council

171 Front Avenue
Saint Paul, MN 55117
651-488-4485 fax: 651-488-0343
district6ed@dist6pc.org

March 23, 2011

Matthew Ides
Executive Director
Sparc
843 Rice Street
Saint Paul, MN 55117

On March 22, 2011 you attended a District 6 Planning Council Land Use Task Force meeting and requested support for Sparc's Neighborhood STAR application for a Lead Window Program.

This program will assist homeowners, including owners of rental property in the abatement of lead windows. With the aging housing stock in Districts 5, 6 and 11, this program will ensure healthy homes for our young children to reside in and makes it possible for owners to reduce lead exposure.

After discussion, the Task Force voted to support this application. District 6 hopes the STAR Board will agree and will also support this proven to be successful program.

Please contact the office if you have questions and thank-you for the commitment you have shown to our neighborhoods.

Regards,

Jeff Martens

Jeff Martens
Board of Director's Vice Chairman
Land Use Task Force Chairman

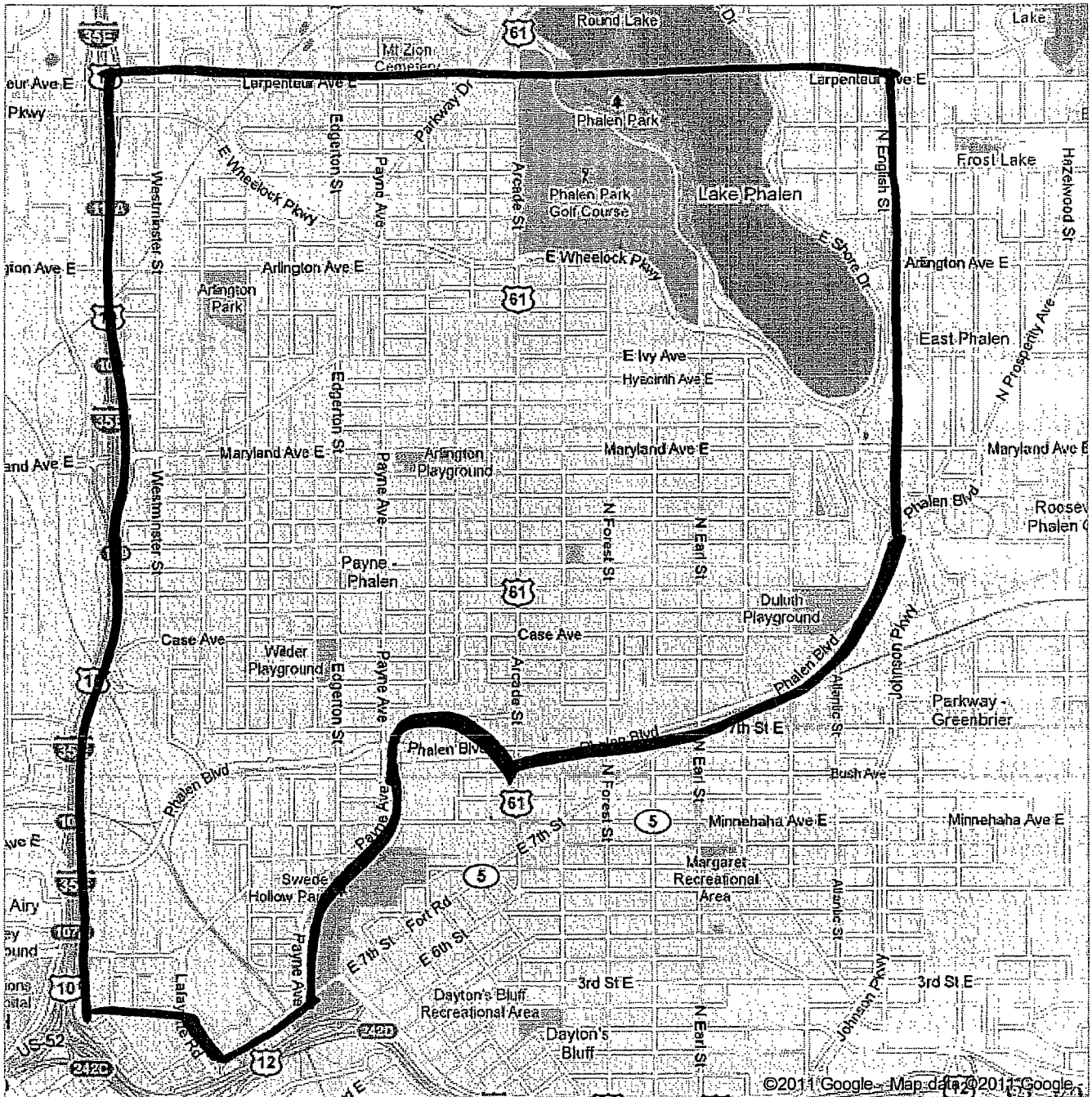
Cc: Ward 5
Ward 1

An Affirmative Action/Equal Opportunity Employer

Google maps Address St Paul, MN

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Text the word "GMAPS" to 466453



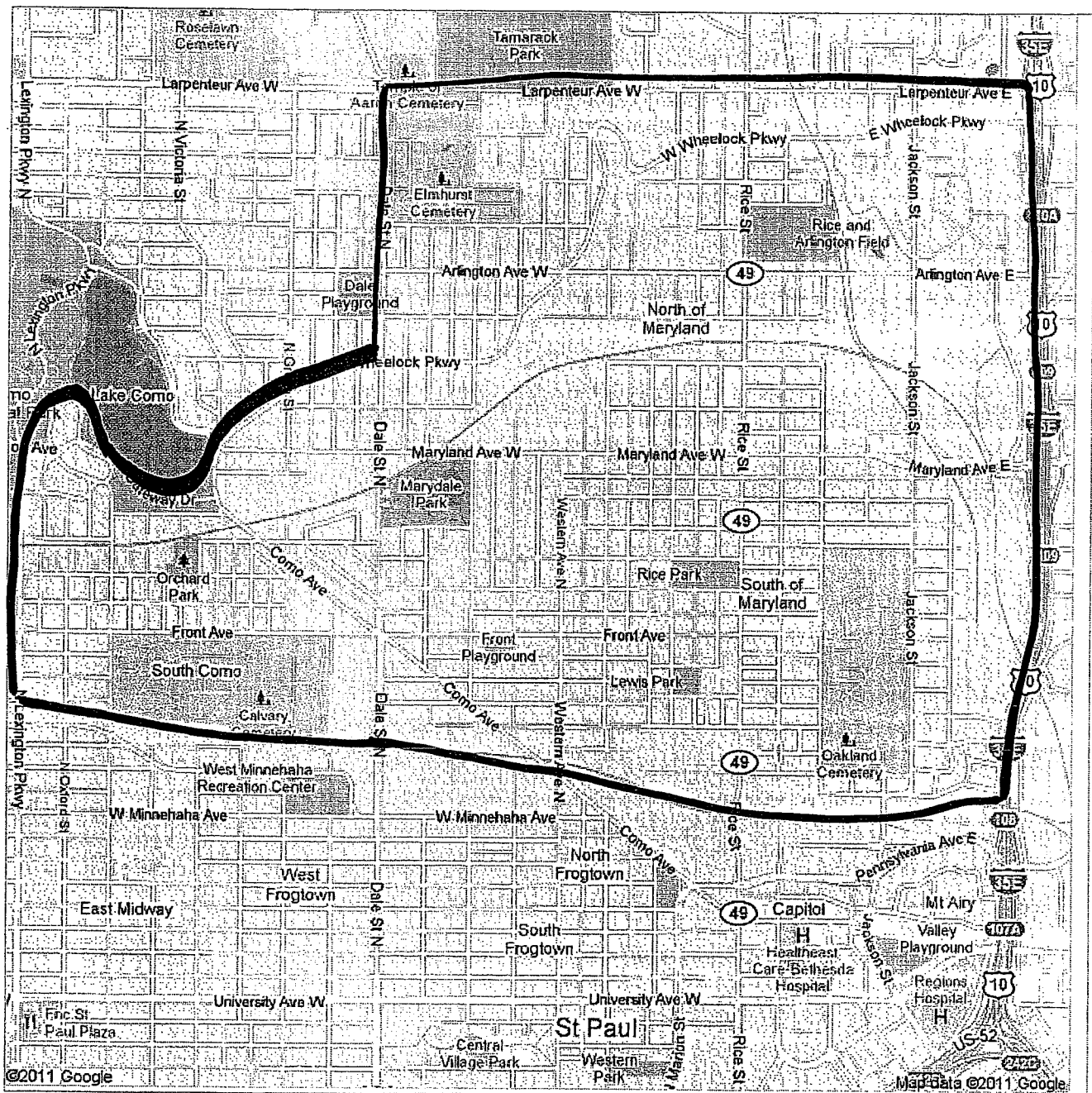
District 5

Google maps Address

Get Google Maps on your phone



Text the word "GMAPS" to 466453



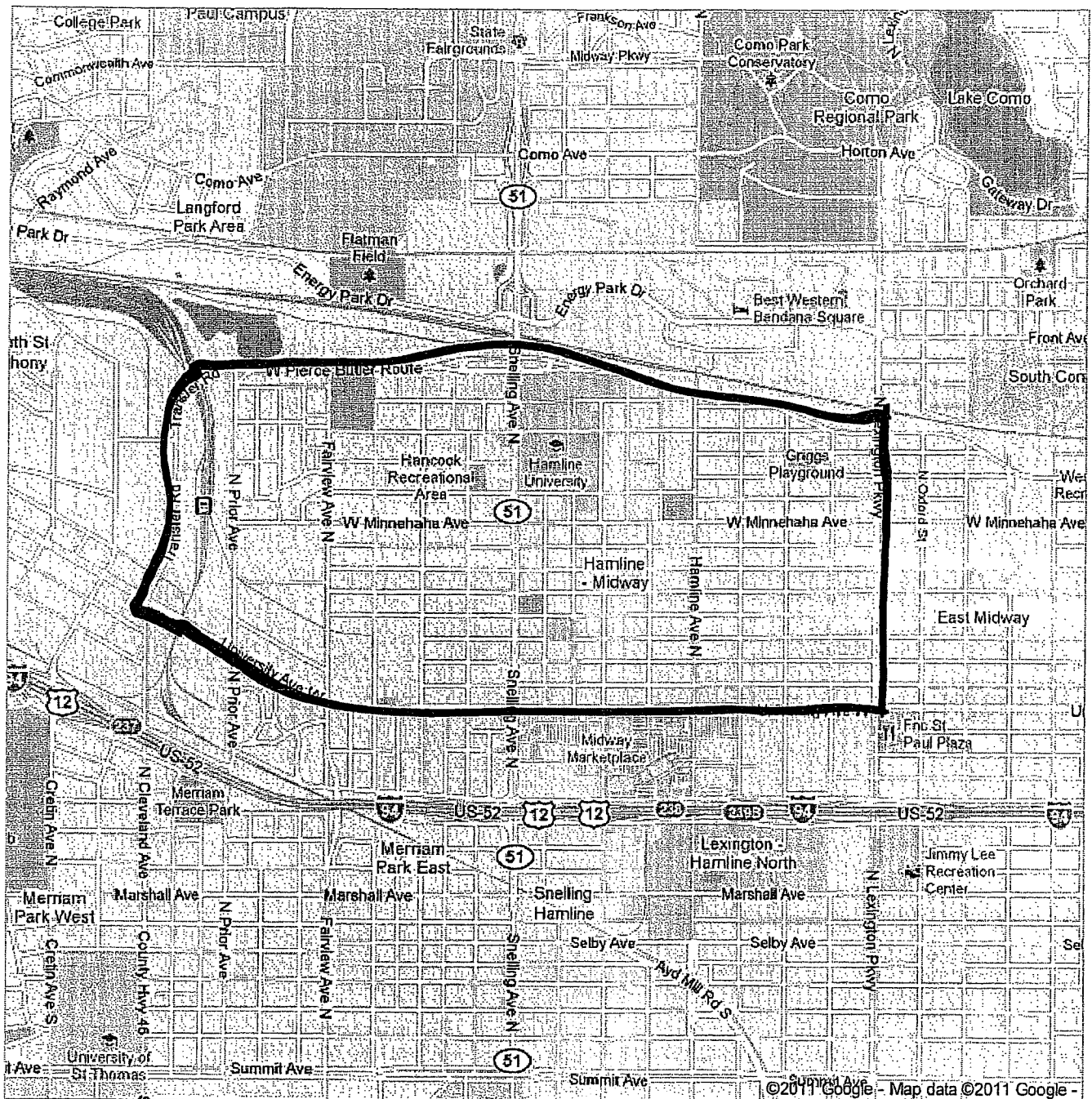
District 6

Google maps Address St Paul, MN

Get Google Maps on your phone



Text the word "GMAPS" to 466453



District II

2011 Neighborhood STAR Program Loan & Grant #11-119

Section A: Proposal & Organization Information

Project Name: Greater Frogtown Rental Rehab Program Ward 1 Planning District 7

Legal Entity Submitting Request: Greater Frogtown Community Development Corporation

Please check organization type(s): Public ☐ For Profit ☐ Non-Profit ☒

Mailing Address: 533 N. Dale St. Paul MN 55103
STREET CITY STATE ZIP

Contact Person For This Request: Patty Lammers

Daytime Phone: (651) 789-7485 Fax #: (651) 789-8401 Federal Tax I.D. # 41-1804148

E-mail Address: patty@greaterfrogtowncdc.org

Proposal Location: Frogtown/Summit U (see attached map)

STAR Funding Request:

Grant request \$ 120,000

Loan request \$ _____ proposed interest rate and term: _____

Total STAR Request: \$ 120,000 (total from page 7)

Total Match Leveraged: \$ 120,000 (total from pages 7 & 8)

The following compliance issues may apply to your proposal and can be reviewed on the City of Saint Paul's website: <http://www.stpaul.gov/index.asp?NID=2659>

- * Vendor Outreach Program: Goals apply to *all projects* receiving city funding
- * Federal Davis Bacon Requirements: Projects funded with \$2,000 or more of federal dollars
- * Little Davis Bacon Requirements: Projects funded with \$10,000 or more of city dollars
- * Two Bid Policy: Projects receiving \$20,000 or more of city funds
- * Business Subsidy: May apply to recipients of grants of \$25,000 or more and loans of \$75,000 and over
- * Affirmative Action: Entities receiving \$50,000 or more of city funds within a 12-month period
- * Living Wage: Entities receiving \$100,000 or more of city funds
- * Project Labor Agreement: Entities receiving \$250,000 or more of city funds
- * Section 3: Economic opportunities to low income persons or business concerns residing close to the project's location
- * Sustainability Initiative: A plan to make future development projects more environmentally and financially sustainable

We authorize Planning and Economic Development to order a consumer credit report and verify other credit information, including past and present mortgages and contract for deeds, as necessary to process our STAR application.

Individual Completing the Application:

Patty Lammers Lending Programs Manager 3/30/11
Name (please type) Title Date

Patty Lammers
Signature

Chief Officer or President:

Jill Henricksen Executive Director 3/30/11
Name (please type) Title Date

Jill Henricksen
Signature

II. PROPOSAL INFORMATION:

1. Please provide a description of your project or program in the space provided:

The Greater Frogtown Rental Rehab Program will work with landlords in the service area to make needed improvements to their properties. Our communities have been devastated by foreclosure and this has left many families in need of quality rental housing opportunities, because they simply cannot purchase a home again immediately.

Additionally there are families who because of job instability or family circumstances are long term renters who in many cases have larger families. Rental is no longer a transitional form of living in our community. Consequently, the need for quality rental properties is more significant to the overall community and the future of a sustainable Frogtown.

In addition, all rental properties have begun to be inspected by the City of St. Paul leaving many landlords with lists of necessary repairs. Our program will work with landlords to ensure those repairs and other repairs are completed to increase the quality and energy efficiency of the rental unit.

As GFCDRC prepares to become a landlord ourselves, we have realized the difficult reputation rental has in our communities. Rental is seen as non-quality, crime-filled housing that is harmful to our community. We strongly feel a responsibility to help change the point of view by helping to raise the standards of rental housing in our communities. Our plan is to go beyond just providing a loan/grant, but to also work with the landlord to review their management plans, screening process, management, and to have routine, informal coffee gatherings to discuss landlord and tenant related issues and to act as resources for each other.

The Greater Frogtown Rental Rehab Program will be an important foundation piece to our work with area landlords. The funding will be structured so that our grant funds, up to \$10,000 per property will be matched by the landlords at a 1:1 ratio of private funds and public funds.

Landlords will need to prove that 50% of their tenants in the property have annual household incomes below 80% of metropolitan median income as determined by HUD (64,200 for a family of 4). They will also have to agree to charge at or below HUD's fair market rate rent, including utilities, to ensure that rents will not be raised due to the improvements on the property.

2. Briefly describe, in quantifiable terms, the specific results of this proposal (*i.e.: 10 houses rehabbed in 2 years; 5 jobs created by business expansion; 15,000 sq. ft. Community Center addition.*)

The project will work with at least 8 landlords and a minimum of 14 housing units will be brought up to housing standards over one and a half to two years.

3. Please explain the public benefit of your project:

There is a clear need for quality affordable rental housing during this housing crisis. Families who have been displaced deserve a decent place to live. For some families, rental is a long term housing choice. The prospect of owning a home is not within their financial landscape. Because of this, the need for safe, affordable, and sustainable rental housing is more in demand especially in GFCDRC service area. In addition, our project will work to identify good quality landlord's that can be used as model in the community to help raise the overall perception of rental housing in our communities. Rental housing and renters can be perceived as a contributor to the community and not a detractor to the community fabric. An increase in rental property rehabilitation and social investment will not only benefit the surrounding houses but will raise the perception of rental in the overall community.

II. NEIGHBORHOOD PLANNING/COMMUNITY SUPPORT: Community involvement is a critical part of the STAR program. In this section you are being asked to identify the participation of neighborhood and

community groups in your proposal.

1. Will your project be coordinated or partnered with any other project, program? If yes, please describe:

Our Rental Rehab Program will be operated by Greater Frogtown Community Development Corporation, in coordination with three other home improvement loan and grant programs administered by GFCDC. Our Frogtown Facelift Home Rehab Loan program offers low income homeowners up to \$30,000 for home improvements. With this program, 1/3 is an amortized loan at 5% interest, 1/3 is a due on sale loan and 1/3 is forgivable over a 5 year period of continued owner occupancy.

GFCDC also offers a deferred loan program through the Minnesota Housing Finance Agency to very low income homeowners. And, we work closely with Ramsey County Public Health Department to get old, lead painted windows replaced with new energy efficient windows for low income families who either rent or own their home.

We will also work with the St. Paul Police Department and SPARL, the St. Paul Association of Responsible Landlords to help market the program to Frogtown and Summit University landlords. We will also reach out to the District 7 Planning Council help spread the work about the program.

Lastly, but importantly, we will target rental property owners who own property near the City's NSP houses and our own rental units. GFCDC, in partnership with Project for Pride in Living, will soon own and operate seven rental properties throughout the community. We intend to set a new standard for rental properties in our community.

2. Is this proposal identified as part of an adopted city, neighborhood, or business plan? If yes, please describe: (Neighborhood plans can be found @ www.stpaul.gov/index.aspx?NID=3446)

According to the *Housing Section of the Saint Paul Comprehensive Plan*, the challenge of rehabilitation is especially difficult for single family and duplex rental buildings, whose owners often lack the professional knowledge, ability, desire or resources required to properly maintain and upgrade these aging buildings. The City recently began a Certificate of Occupancy program for single family and duplex rentals (Saint Paul Legislative Code 33.06) to ensure that these properties are in compliance with the Housing Code.

The City's *Housing Action Plan 2010-2013* also addresses rental housing by establishing goals of property inspections and inventory and then clearly states that housing redevelopment work of local community development corporations is supported.

District 7's Area Plan also supports physical and operational improvements to rental properties within the community.

3. Is there neighborhood\community support for this proposal? YES x NO . Please explain:

Our board is made up a majority of community residents who are there to represent the community in carrying out our mission as a community development organization. They have endorsed this program as part of our strategic plan recognizing that we must work to address all housing needs in our community for both homeownership and rental opportunities.

We have three letters of support from community members who support this project.

III. PUBLIC COST: This section helps define the financial impact of your request on the general public. Please be as accurate as possible:

1. Will this project/program result in a change in the tax base? If yes, please complete the following:

_____ Current property taxes payable per year
 _____ Estimated taxes after project is completed
 _____ Net change in taxes per year

We do not know the impact this our project will have on property values of the homes, however we can assume that they would remain the same or gain in value. It is very difficult to project because our neighborhoods as a whole are continuing to drop in value during this difficult housing market.

2. For proposals that remove property from the tax rolls, you'll need to calculate a Payment in Lieu of Taxes (PILOT) that will replace the lost property tax revenue. Suggested minimum is 25% of the total current taxes to assist with basic safety services to be paid for 20 years or the term of the agreement, whichever is longer. **The estimated PILOT is:** NA.

IV. PROJECTED JOB CREATION / RETENTION

<input checked="" type="checkbox"/> Job Impact <input type="checkbox"/> No.Job Impact	Year 1	Year 2	Year 3	Year 4	Year 5
# of New Full-Time Permanent Jobs <i>CREATED</i> Each Year					
# Of Full-Time Permanent Jobs <i>RETAINED</i> Each Year					
# OF FULL-TIME PERMANENT JOBS <i>LOST</i> Each Year					
# of Construction/Temporary Jobs <i>CREATED</i> Each Year	4	4	4	4	
Average Wage for Full-Time Permanent Workers					

V. STAR PROJECT / PROGRAM ACTIVITIES: The Neighborhood STAR Program provides funding for a variety of activities. **Please complete the one section only that best describes your proposal:**

A. Development/Redevelopment; B. Open Space Improvement; or C. Re-lending/re-granting Program:

A. Commercial or Residential Development/Redevelopment Project: If you are requesting funds for a commercial or residential development/redevelopment project, please complete the following section:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

<input type="checkbox"/> Support Vitality of Industry	<input type="checkbox"/> Incr. Women/Minority Businesses	<input type="checkbox"/> Address Special Housing Needs
<input type="checkbox"/> Stabilize Market Value	<input type="checkbox"/> Encourage Entrep'ship	<input type="checkbox"/> Retain Homeowners in the City
<input type="checkbox"/> Provide Self-Employment Opt's	<input type="checkbox"/> Generate Private Investment	<input type="checkbox"/> Maintain Housing Stock
<input type="checkbox"/> Create Local Business	<input type="checkbox"/> Support Commercial Activity	<input type="checkbox"/> Incr. Home Ownership Stock
<input type="checkbox"/> Retain Local Business	<input type="checkbox"/> Heritage Preservation	<input type="checkbox"/> Provide Affordable Housing

2. Before a development proposal may proceed, you must have control of the property. Please indicate the type of site control you have: Deeded Title ___ Purchase Agreement___ Purchase Option___ Existing Lease ___ Lease Agreement ___ Other ___ Comments: properties will already be owned by the program applicant

3. a. Type of development: New Construction _____ Rehabilitation/Expansion _____
- b. Describe the current use of space (number of units, sq. ft., commercial, residential, etc.)
- c. List the proposed use of space (office, retail space, housing units, etc.)
- d. Will the proposal provide the leasing of space? YES ____ NO ____ If yes, please provide:

PROSPECTIVE TENANTS	SQUARE FOOTAGE	RENT PER SQUARE FOOT	IS LEASE SIGNED?

4. Anticipated start date? _____ Estimated completion date? _____
5. If this request is for a new business start-up, **please attach** your business plan.
6. Has a developer, architect, general contractor, and/or leasing and management firm been selected?
Yes _____ No _____ If yes, please identify: no
7. Have detailed cost estimates been prepared? Yes _____ No _____ If yes, **please attach**.

PLEASE NOTE: Economic development activities may be subject to both the City's Living Wage and Business Subsidy requirements. For more information, please visit the city's website: <http://www.stpaul.gov/index.asp?NID=2659>.

----- **If you completed Section A, you are finished with Item VI. proceed to page 7, Item VI. -----**

B. Public / Private Open-Space Improvement Projects: STAR money has been used to finance important public and private open-space improvements in our community. These include playgrounds, streetscapes, or improvements to various public facilities. **If you are applying to fund a public or private open-space improvement project** please complete the following:

1. Define the type of public benefit that can be expected. Place a "1" next to the primary benefit, a "2" next to the secondary benefit and complete the tax base data (if applicable) in the following chart:

<input type="checkbox"/>	Remove Blight/Pollution	<input type="checkbox"/>	Improve Health/Safety/Security	<input type="checkbox"/>	Increase/Maintain Tax Base ▶ current tax production: ▶ est'd taxes as built: ▶ net tax change + or -:
<input type="checkbox"/>	Rehab. Vacant Structure	<input type="checkbox"/>	Public Improvements	<input type="checkbox"/>	
<input type="checkbox"/>	Remove Vacant Structure	<input type="checkbox"/>	Goods & Services Availability	<input type="checkbox"/>	
<input type="checkbox"/>	Heritage Preservation	<input type="checkbox"/>	Maintain Tax Base	<input type="checkbox"/>	

2. Please describe your previous experience with public or private open-space improvement projects:
3. Describe the components included in your proposal, and approximate locations (i.e. streetlights, benches, boulevard trees, playground equipment, park improvements, etc.).
4. Explain how this project will be maintained over the life of the improvement:
5. Anticipated start date? _____ Completion? _____
6. Please list the City department(s) and person(s) with whom you have discussed your proposal:
7. Do you have a construction cost estimate either from, or approved by, the City department and contact listed in #6 above? YES ____ (estimate attached) NO ____

8. Have businesses and/or homeowners been approached regarding any required assessments to their property? YES ____ NO ____ If yes, please indicate:

a. How many properties will be affected? residential _____ commercial _____

b. How many have agreed to pay assessments? residential _____ commercial _____

----- if you completed Section B, you are finished with Item VI. proceed to page 7, Item VI. -----

C. Re-Lending / Re-Granting Program for Housing or Businesses: **This needs to be completed** if you are requesting funds to administer a re-lending / re-granting program:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

Support Vitality of Industry	Incr. Women/Minority Businesses	Address Special Housing Needs
Stabilize Market Value	Encourage Entrep'ship	Retain Homeowners in the City
Provide Self-Employment Opt's	Generate Private Investment	1 Maintain Housing Stock
Create Local Business	Support Commercial Activity	Incr. Home Ownership Stock
Retain Local Business	Heritage Preservation	2 Provide Affordable Housing

2. Anticipated program start date? June 2011 Completion? November 2012

3. Please list the number of units (houses or businesses) to be assisted: 14-20

4. Briefly summarize how you will select program participants (i.e. income of recipients, requirements for match funds, cash vs. sweat equity.)

The program will be available on a first-come-first serve basis for landlords who complete an application and meet the program guidelines (see attached guidelines for detail). Each application will be reviewed and approved by Greater Frogtown CDC's Loan and Grant committee in the order received.

Eligible landlords are those who provide affordable housing for low income tenants. Eligible landlords must be current on property taxes, property insurance, licensing with DSI, and current on all mortgages held on the properties. And, eligible landlords will have the required private match in order to qualify for our grant funds. Sweat equity will not be acceptable as a match, it must be their cash contribution to the rehab project.

5. Describe you and/or your partner's experience and capacity for operating a loan or grant program:

Greater Frogtown Community Development Corporation has been operating rehab lending programs since 1997. We have completed over 300 projects. GFCD has two staff who work with our loan and grant programs. Carla Shapiro, our Loan and Grant Programs Administrator, is responsible for program marketing, client intake, processing applications, underwriting projects, and providing direct support to our Loan and Grant committee. Carla has been with Greater Frogtown CDC for more than 3 years.

Patty Lammers, Lending Programs Manager, has been with Greater Frogtown Community Development Corporation for 13 years and provides the technical construction expertise needed to develop scopes of work, review bids, process draw requests from contractors and oversee construction management of projects. Patty also helps resolve disputes between owners and contractors and works closely with City building inspectors.

6. How will this program differ from existing City housing or business programs?

Currently, no program other than Minnesota Housing is offering assistance to landlord's to make repairs.

The state's program is completely a loan with no additional assistance or support. Our program will provide the extra grant incentive needed to help some of these landlord's make repairs that improve the living conditions of their units and improve the exterior of the properties, particularly the front facades. We will also provide the needed expertise in scope development, and construction management to ensure the repairs are of the highest quality and meet all code requirements.

7. Will this program coordinate with other City programs? Yes x No If yes, please explain:

We will target rental properties near the City-owned NSP houses. Through a partnership with Planning and Economic Development, GFCDC manages the construction of vacant homes purchased and renovated with federal NSP stimulus funds. Our Rental Rehab Program will be targeted to those blocks with NSP homes.

8. a. Are you planning to provide loans? Yes No x . grants? Yes x No . If yes, what type of terms or conditions will be required? (i.e. will there be a mortgage or lien on sub-grantees' property? Occupancy requirements? Will the loan come due if property is sold or rented?)

The grants will be forgiven over a 5 year period during which time the owner must charge a fair market rate rent. The grant would become due if the owner sold the property or began charging a rent above fair market rate. The grants will be secured by a mortgage on the property.

- b. What kind of loan underwriting criteria do you envision? (i.e. collateral, debt-to-income ratio)

Please see our attached program guidelines.

9. **Please attach program guidelines.**

VI. SOURCES AND USES: Please attach an itemized budget or contractors' estimates where applicable. Itemize use of STAR funds, private match and non-matching funds for the entire project:

CATEGORY	STAR LOAN REQUEST	STAR GRANT REQUEST	MATCHING FUNDS	NON-MATCHING FUNDS*	TOTAL
Acquisition					
Rehabilitation:					
residential		\$100,000	\$100,000		\$200,000
commercial					
New Construction:					
residential					
commercial					
Public Improvements					
Private Open Space Improvements					
** Direct Project Costs		\$ 20,000	\$20,000		\$40,000
TOTALS:					
<i>total(s) also appear on pages 1 and 8</i>	\$	\$120,000	\$120,000		\$240,000

Line Item Examples:

Acquisition:

up to 20% of STAR funds may be used to purchase an existing building or property

Commercial/Housing Rehabilitation:

capital improvements to an existing building

New Construction:

new structure

Public Improvements:

streetscape, play equipment, park benches, permanent signs, exterior lighting etc. on public property

Private Open Space Improvements:

playground, community garden etc. on private property

*** Please List** the additional funds being used on this project that do not qualify as matching contributions (i.e. city grants from CDBG, TIF, CIB or the HRA)

****Direct Project Costs (Soft Costs)** - Up to 20% of STAR funds may be used for soft costs (i.e. acquisition, architect, engineering, legal and loan fees, environmental testing, permits, licenses, etc.) Eligible soft costs do not include **general** administrative fees, marketing, or operating costs. **Please itemize and describe soft costs:**

Property Inspections, scope writing, bidding preparation, and construction management and processing draws for payment: \$2,000 rehab management fee per project for a total of \$20,000

VII. SOURCE OF MATCHING FUNDS: Matching funds must be *directly* related to the capital improvement proposal. Please refer to the Neighborhood STAR Guidelines (www.stpaul.gov/star) for eligible match criteria.

Please Identify Source & Type of Matching Funds	Amount	Date Available	Match Firm?
A. Estimated volunteer labor/sweat equity*:			
B. Estimated in-kind service*:			
1			
2			
3			
C. Estimate and name source of cash donations:			
1			
2			
D. Name and amount of anticipated foundation grants:			
1			
2			
3			
E. Amount of loan(s) and name of lender:			
1			
2			
F. Amount and source of private equity:			
1			
2			
3			
G. Amount, source and type of other match:			

1 Owner's private matching funds	\$100,000	As each project closes	yes
2 LISC grant is match for construction management fees	20,000	Now	yes
3			
TOTAL VALUE OF MATCHING FUNDS**	\$ 120,000		

* Up to 30% of the total match may be indirect contributions including in-kind goods and services, sweat equity and/or volunteer labor. Sweat equity and volunteer labor is valued at \$15 per hour (*STAR Guidelines, page 7*)

** Same total appears on pages 1 and 7

VIII. APPLICANT INFORMATION. This section provides the STAR Board, elected officials, and staff with basic information about your organization, and its abilities to carry out a STAR project.

1. Please describe your organization (i.e. its history, structure, business, membership, purpose etc.)

Greater Frogtown Community Development Corporation was created in 1995 to preserve and develop high quality affordable housing. During that time we have built new homes, rehabbed vacant homes, and created a range of loan and grant programs to preserve our aging housing stock. Our board of directors has and will remain community driven, made up primarily of community residents who are passionate about using housing resources as a tool to improve and build a community. Our work has resulted in over \$50 million dollars being invested into our community since 1995.

2. What is your status as a legal entity? (i.e. corporation, partnership, nonprofit, proprietor, etc.)

We are a 501 (c) 3 non-profit organization

3. Who will be the designated project manager? Patty Lammers
Describe her/his background, skills and experience in managing similar-type projects.

Patty has been our lead and grant manager for 10 years. She has expertise in lending and construction and project management and has completed over 140 home rehab loan and grant projects in the Frogtown and Aurora St. Anthony communities.

4. Do you have an adopted\official conflict-of-interest policy? If so, please summarize or attach.

Yes, please see our conflict of interest policy attached

5. If you have received City funds within the past five years, please identify below or attach a separate list:

YEAR	PROGRAM	AMOUNT	BALANCE
2010-11	CIB: Home Rehab Lending & Development*	350,000	270,000
2008-09	CIB: Home Rehab Lending & Development	350,000	0.00
2006-07	CIB: Home Rehab Lending & Development	350,000	0.00
2006	STAR- Dale Street Business Façade Program	75,000	0.00

	* See attachment for CIB Flexible Fund Info**		
--	---	--	--

Section B: Financial Information

ORGANIZATION MANAGEMENT Proprietor, partners, officers, directors, governors and all holders of outstanding stock (100% of ownership must be shown.) Use a separate sheet if necessary.

NAME AND TITLE	COMPLETE ADDRESS	% OWNED
See board of director list	533 North Dale Street	

Do you have affiliate and/or subsidiary firms (20% or more ownership in other entities)? If so, please provide the last fiscal year end financial statements for the listed firms.

If your business is a franchise, include a copy of the franchise agreement and the franchiser's FTC disclosure statement.

PLEASE PROVIDE THE FOLLOWING (check if attached or "N/A" if not applicable):

- ☒ A current balance sheet and a current operating statement. (Last business quarter)
- ☒ Aging of accounts receivable/accounts payable as of the date of the current balance sheet.
- ☒ A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules.
- ☒ Detailed cash flow projections for 12 months of operation or a projected annualized income statement with assumptions.
- ☐ A copy of existing or proposed purchase agreement or lease agreement. (Provide appraisal, if available.)
- ☒ If project involves construction, please include specifications and contractors' estimates.
- ☐ If project involves the purchase of fixed assets, please include purchase agreements or vendor quotes.
- ☐ If a corporation, please provide articles of incorporation and bylaws.
- ☐ If a partnership, please provide partnership agreement.
- ☐ If LLC, please provide articles of organization.
- ☒ Copies of last three years business tax returns.
- ☒ Current personal financial statements for partner, officer, owner, and each stockholder with 20% or greater ownership.
- ☒ Resumes of principals and key management.

na If this project includes bank participation, please provide a bank commitment letter.

I. BANK REFERENCES

BANK	ACCOUNT OFFICER	PHONE
University Avenue	Bryan Toft	651-265-5660
Western Bank	John Bennet	651-290-8176
Hiway Federal Credit Union		651-291-1515

II. TRADE REFERENCES

COMPANY	CONTACT PERSON	PHONE
Great American Leasing Co.		1-888-305-2641
Quill		1-800-789-8965

III. DEBT SCHEDULE

Please list all existing business debts. Date*: _____

Creditor name	Original amount	Original date	Present balance	Interest rate	Maturity date	Monthly payment	Assets secured	Current or delinquent

Total present balance* \$ _____

Total monthly payment \$ _____

* Should be the same information provided on the current financial statement.

IV. ACCOUNTANT

Name Lindsey Nauen, Nauen Mobile Accounting, Inc.

Address Nauen Mobile Accounting, Inc. 241 Cleveland Ave. So., Ste. A3

Phone/e-mail Office Phone 651-696-8913, lindsay@nauenmobile.com

V. LAWYER

Name Leonard V. Crowley, Attorney at Law

Address 701 4th Ave So, STE 500 Minneapolis, MN 55415

Phone/e-mail 612-332-7290 (voice) 612-677-3397 (fax) LCrowley@LCrowley.com

Greater Frogtown Community Development Corporation

Rental Rehab Loan Program STAR Program Guidelines

Program Purpose

To assist landlords in making improvements to their property with a very affordable loan product. Loans are a combination of a forgivable loan, and the owners matching funds. They may be used for interior and exterior improvements with a priority placed on health and safety deficiencies, lead paint hazards, and deferred maintenance.

Program Service Areas

The Rental Rehab program would be offered in Greater Frogtown CDC's Lending service area. (see attached map).

Program Administration

This loan program will be administered by each Greater Frogtown CDC.

Non Discrimination Policy

It is the policy of GFCDC to be in compliance with Title VI (Equal Credit Act of the Consumer Credit Protection Act) to make loans to applicants regardless of race, color, national origin, religion, gender, marital status, age, the receipt of public assistance, or the good faith exercise under the Consumer Credit Act.

Eligibility

1. Eligible Borrowers

- A. Eligible borrowers must be the owner of a rental property with 6 or less units within the GFCDC Lending service area.
- B. Contract for Deed buyers of are eligible for program funds, *if both the contract vendee and the contract vendor co-sign the mortgage document and the vendee signs the promissory note. In this case, the vendor subjects their interest in the property to the lien of the repayment note. While the contract vendor does not assume any personal liability to the lien, the lien will remain against the property if the loan is in default.*
- C. Fifty-one percent of the properties tenants must be at or below 80% of median income. (50% in the case of a duplex)
- D. Eligible borrowers must agree to charge a fair market rate rent as defined by HUD for all units during the duration of the loan.
- E. Owners will file tenant occupant records annually during the duration of the loan

- F. Eligible borrowers must be current on all and any mortgages against the property.
- G. Property taxes must be current.
- H. Property must be insured.

2. Eligible Properties

- A. Priority will be given to properties, which have not previously received substantial rehabilitation through other federally funded programs.
- B. Eligible properties are rental properties of 6 or less units located in the GFCDC Lending Service Area
- C. The grant amount, in combination with other liens and encumbrances against the property (including forgivable loans), *may not exceed 130 % of the estimated after-rehab value of the property.*

3. Ineligible Properties

- A. Properties purchased on contract for deed, except as defined in 1B above
- B. Properties involved in adverse legal action under the public nuisance ordinance or eminent domain may be deemed ineligible, unless approved by the partner organizations Board of Directors.

4. Eligible Improvements

- A. Priority will be given to property improvements required to meet the City of St. Paul's Rental Property Maintenance Requirements, which address the health and safety of the property for the occupants. Priority will also be given to deteriorated lead-based paint, due the health effects on small children of lead poisoning.
- B. Repairs of structural and mechanical items, which if deferred, would cause serious problems in the future, such as roof or foundation repairs
- C. Deferred maintenance or improvements, which increase the convenience, livability, and longevity of the structure, such as exterior painting, concrete work, retaining walls, roof repairs, etc.
- D. Accessibility improvements for handicapped persons

- E. Landscaping work which corrects poor grade around the foundation walls and trimming of tree branches interfering with the structure of the house are eligible

5. Ineligible Uses of Program Funds

- A. The purchase of furnishings, equipment, appliances, and non-fixed items, except those required by applicable codes and cited in a code inspection report
- B. Luxury improvements such as Jacuzzis, swimming pools, etc.
- C. Working capital
- D. Sweat equity payment for the borrower's own labor and performance for rehabilitation as well as any equipment or tools purchased by the borrower to complete construction
- E. Purely cosmetic landscaping, such as trees, shrubs, and sod.
- F. Payment for a project in which a contractor has been hired by the homeowner prior to the closing for these program funds

Loan Terms Policy

- A. 1/2 of the funds will be provided by the owner, 1/2 will be a forgivable loan
- B. Minimum Loan Amount: The minimum amount of funds available per project is \$ 5,000
- C. Maximum Loan Amount: The maximum amount of funds available per project is \$20,000 (\$10,000 of STAR funds)
- D. Property Values: The loan amount, in combination with other liens and encumbrances against the property (including forgivable loans), may not exceed 130% of the estimated after-rehab value.
- E. Interest Rates: The forgivable portion will *not* be charged interest.
- F. Security: All loans shall be secured by a mortgage on the property and a signed promissory note.

Processing Time

GFCDL will accept applications on a first-come, first-served basis, and will process applications in the order in which the *full pre-application file* is received.

Processing Loans

1. GFCDC will affirmatively market the Rental Rehab Loan Program to every household in the service area, explain the program to interested property owners, and provide assistance in the completion of application packets
2. Staff will pull credit reports and order title reports. Staff will verify ownership of the property, and the financial status on property taxes. A preliminary decision to approve or deny will then be made based on the criteria identified in these guidelines. Staff will make a preliminary determination of the loan amount at this time.
3. Staff notifies applicant of their eligibility and, if approved, informs them of the remaining steps in the process. Staffs perform a health and safety inspection of the property. If the applicant is not eligible, staff will continue to work with the applicant in an attempt to find alternate resources.
4. Staff/consultants perform a Health & Safety inspection on the entire property. They will also review any repair lists provided the Department of Safety and Inspections. Ramsey County will conduct a lead risk assessment of the property. If there are old, deteriorated windows with lead based paint and children living in the home under the age of 6, then the partner organization will also forward the application information to the Lead Window Replacement Program. The Staff will rank necessary repairs in order of importance, create a detailed scope of work. (If the house is in need of repairs in excess of the funding available, alternative or creative layering of funds will be sought.)
5. The staff meets with the homeowner to review and sign off on the scope of work with the applicant and to instruct the applicant on how to obtain bids from contractors.
6. When applicant forwards bids to staff, staff reviews and signs off on their acceptance of the bids. (All contractors will be required to be licensed, insured, bondable and trained in lead safe work practices.) The staff will provide technical assistance to the applicant throughout the applicant's entire process, including initial inspection, bidding, tabulation of bids, draw requests, monitoring of construction progress, and final pay requests.
7. The schedules loan closings 30-45 days before the first payment due date. The staff will prepare all mortgage documents and disclosure statements and record all liens at the County.
8. After the 3-day rescission period is up, staff will give notice to the contractor to proceed with the work. Staff will remain available to the homeowner for any questions they may have.
9. Contractors will submit draw requests to the staff along with an invoice, lien wavers, and a sign-off from the homeowner. The staff will inspect the contractor's work for quality and completeness. At the time of the final draw, the staff will perform a final inspection and sign off on the completion report. Verification from the Building Inspector that the work passed the City's inspection will be completed by the staff. A copy of the lead clearance test and verification the property passed will also be required to receive final payment. The staff will provide a check for the payment to the contractor.

10. Program participants will be asked to complete a "Satisfaction Survey" to evaluate their satisfaction with the loan process.

Subordination Policy

GFCDC will consider requests to subordinate mortgages. Staff will review requests on a case-by-case basis.

**Board of Directors as of
March 2011**

<p>Resident Community Member</p> <p>Kevin Pollard 944 Thomas C: 651-329-5992 kdpollard@yahoo.com Serving since 2011</p>	<p>Member at Large</p> <p>Michelle Vojacek H:651/645-4939 W:651-266-6599 vojacek4939@msn.com Serving since December 2007</p>
<p>Resident Community Member Vice Chair</p> <p>Eduardo Wolle 347 Edmund (507) 301-2615 ewolle@clear.lakes.com serving since 2010</p>	<p>Resident Community Member</p> <p>Daniel Wonde 723 Blair 651-895-6311 dangobeze@yahoo.com serving since 2010</p>
<p>Resident Community Member</p> <p>Amanda Tallen 983 Edmund H:651/442-8447 a_tallen@hotmail.com Serving since April 2010</p>	<p>Business Community Member Board Chair</p> <p>Hai Truong Ngon Bistro 651/222-3301 Cell:612/308-9168 hai@ngonbistro.com Serving since January 2008</p>
<p>Resident Community Member</p> <p>Donna McDuffie 278 Charles Home:651-293-9467 Work: 651-201-5493 Dmcduffie651@aol.com Serving since September 2009</p>	<p>Resident Community Member</p> <p>Terry Day 702 Blair C:651/231-4704 terrywday@q.com Serving since June 2009</p>
<p>Resident Community Member</p> <p>Joe Joa 827 Van Buren H:651/489-2434 W:651/726-3589 Joejoa1969@yahoo.com Serving since April 2010</p>	<p>Community Member</p> <p>Nancy Dana Home:612-369-0961 Work: 651-225-9177 New Spirit School ndana@stpaulcityschool.org Serving since April, 2010</p>

<p>Business Community Member Treasurer Ken Schaefer Home: 651-698-6045 Work: 651-265-5654 Cell: 651/3380292</p> <p>University Bank ken@universitybank.com Serving since April 2010</p>	<p>Member At Large Jessica Paul 301 Charles W:612/226-5803 Jessicapaul08@gmail.com Serving since April 2010</p>
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843 Sherburne Avenue
Saint Paul, MN 55104
March 31, 2011

Neighborhood STAR Program
Department of Planning and Economic Development
1400 City Hall Annex
25 West Fourth Street
Saint Paul, Minnesota 55102-1622

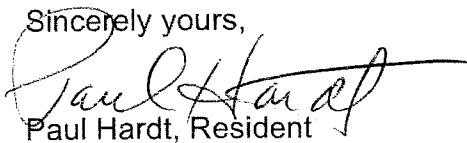
Dear Neighborhood STAR Program:

I strongly support the application of the Greater Frogtown Community Development Corporation for funds to support their rental rehabilitation program.

I live in a neighborhood where a majority of the homes are rental properties. The appearance and quality of these structures materially affects the livability of my neighborhood.

Due to the home mortgage crisis, many properties have not been maintained by landlords. Financial assistance in supporting the rehabilitation of rental properties in my neighborhood and throughout Frogtown will help greatly in improving the quality of the housing stock and will give renters a chance at living in better quality housing. These improvements will translate into a better overall neighborhood for everyone who lives in Frogtown.

Sincerely yours,


Paul Hardt, Resident

Renovated Apartments



Calabash Properties

651-228-7071

525 Ohio Street • St. Paul, MN 55107

www.calabashproperties.com

March 30, 2011

Neighborhood STAR Program
Department of Planning and Economic Development
1400 City Hall Annex
25 West Fourth Street
Saint Paul, Minnesota 55102-1622

Dear Committee Members:

I greatly support the application made by Greater Frogtown CDC for a Rental Rehab Program to the STAR Board. It is a sound investment in the GFCDC community and an opportunity to improve the physical infrastructure of the community.

As a rental property owner in the Frogtown neighborhood, I see the challenges facing property owners. This is especially true when the housing stock is older and in need of improvements. In these unstable economic times, it has become more difficult to maintain and invest in the physical infrastructure of housing and to provide quality affordable housing for low income tenants.

A local program by a community based organization will not only add to the physical infrastructure but will also enhance the long term viability and health of the community. I give my full support towards the application for a rental rehab program.

Sincerely,

Brian Hill - owner



March 30, 2011

Neighborhood STAR Program
Department of Planning and Economic Development
1400 City Hall Annex
25 West Fourth Street
Saint Paul, Minnesota 55102-1622

Dear Committee Members:

I greatly support the application made by Greater Frogtown CDC for a Rental Rehab Program to the STAR Board. It is a sound investment in the GFCDC community and an opportunity to improve the physical infrastructure of the community.

As a rental property owner in the Frogtown neighborhood, I see the challenges facing property owners. This is especially true when the housing stock is older and in need of improvements. In these unstable economic times, it has become more difficult to maintain and invest in the physical infrastructure of housing and to provide quality affordable housing for low income tenants.

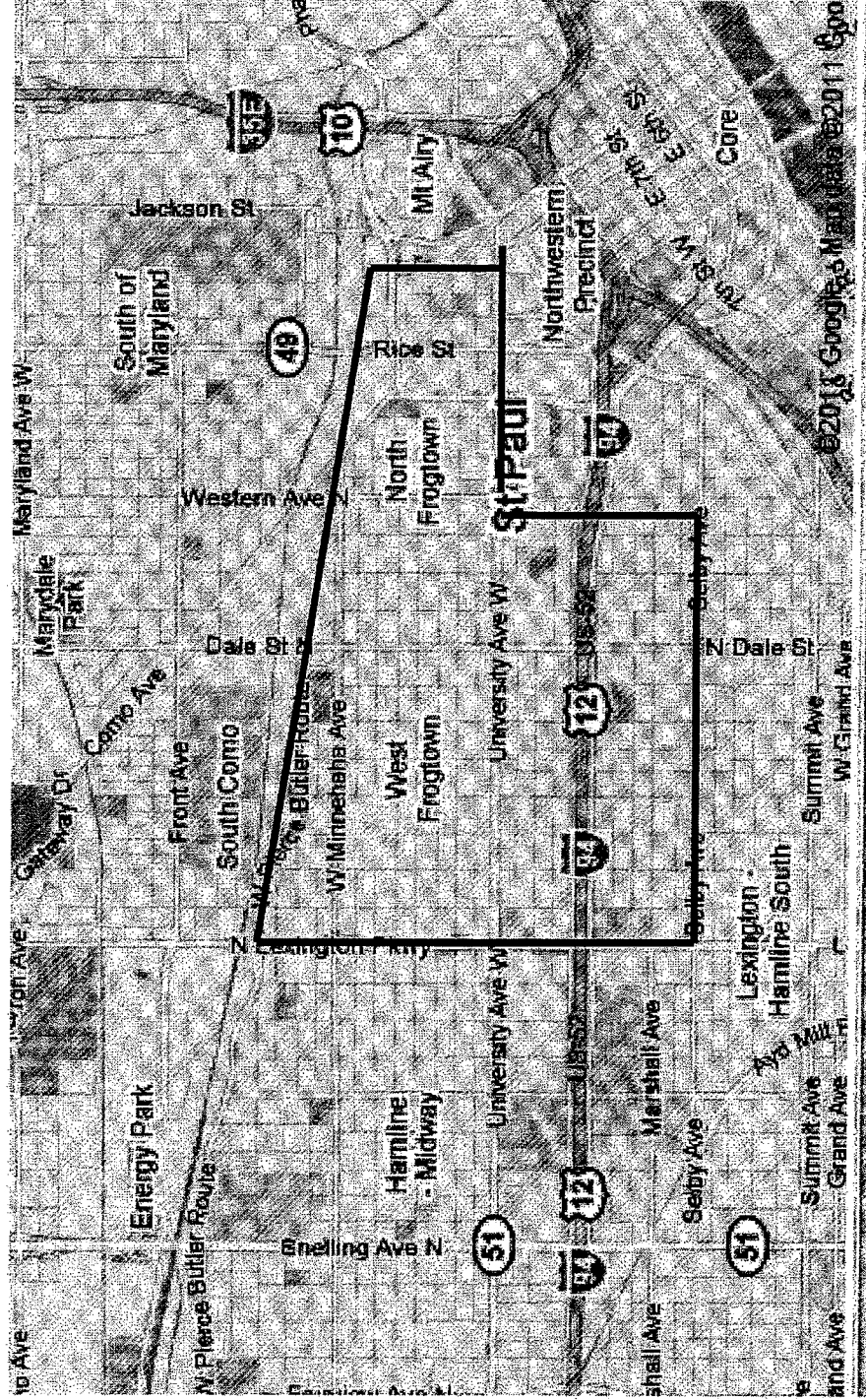
A local program by a community based organization will not only add to the physical infrastructure but will also enhance the long term viability and health of the community. I give my full support towards the application for a rental rehab program.

Sincerely,

Jason Frey and Brett Hesley

KBD Investments, LLC

Proposed Service Area for Frogtown Facelift



2011 Neighborhood STAR Program Loan & Grant #11-120

Section A: Proposal & Organization Information

Project Name: ASI's Saint Paul 2011 Capital Improvements Project Ward 1,2 Planning District 8,9

Legal Entity Submitting Request: Accessible Space, Inc.

Please check organization type(s): Public ☐ For Profit ☐ Non-Profit ☒

Mailing Address: 2550 University Ave. W Suite 330N Saint Paul MN 55114
STREET CITY STATE ZIP

Contact Person For This Request: Matt Wagner

Daytime Phone: (651) 645-7271 Fax #: (651) 645-0541 Federal Tax I.D. # 41-1330242

E-mail Address: mwagner@accessiblespace.org

Proposal Location: 814 Iglehart Ave. 55104, 824 Selby Ave. 55104, and 134-154 Western Ave. 55102

STAR Funding Request:

Grant request \$ 92,777

Loan request \$ 0 proposed interest rate and term: _____

Total STAR Request: \$ 92,777 (total from page 7)

Total Match Leveraged: \$ 92,777 (total from pages 7 & 8)

The following compliance issues may apply to your proposal and can be reviewed on the City of Saint Paul's website: <http://www.stpaul.gov/index.asp?NID=2659>

- * Vendor Outreach Program: Goals apply to *all* projects receiving city funding
- * Federal Davis Bacon Requirements: Projects funded with \$2,000 or more of *federal* dollars
- * Little Davis Bacon Requirements: Projects funded with \$10,000 or more of *city* dollars
- * Two Bid Policy: Projects receiving \$20,000 or more of city funds
- * Business Subsidy: May apply to recipients of grants of \$25,000 or more and loans of \$75,000 and over
- * Affirmative Action: Entities receiving \$50,000 or more of city funds within a 12-month period
- * Living Wage: Entities receiving \$100,000 or more of city funds
- * Project Labor Agreement: Entities receiving \$250,000 or more of city funds
- * Section 3: Economic opportunities to low income persons or business concerns residing close to the project's location
- * Sustainability Initiative: A plan to make future development projects more environmentally and financially sustainable

We authorize Planning and Economic Development to order a consumer credit report and verify other credit information, including past and present mortgages and contract for deeds, as necessary to process our STAR application.

Individual Completing the Application:

Matt Wagner Compliance/Development 3/11/2011
Name (please type) Title Date Signature

Chief Officer or President:

Stephen Vander Schaaf President/CEO 3/11/2011
Name (please type) Title Date Signature

II. PROPOSAL INFORMATION:

1. Please provide a description of your project or program in the space provided:

Accessible Space, Inc. (ASI) is requesting \$92,777 in support from The Saint Paul Neighborhood STAR Program for its project titled "ASI's Saint Paul 2011 Capital Improvements Project." The purpose of this project is to make capital improvements to three ASI accessible, affordable buildings located in the City of Saint Paul. The three Saint Paul locations are: Henry Courts, Iglehart Home and Selby Home. Project funds will be used in Saint Paul for capital improvements including roof replacement; siding replacement; kitchen and bathroom rehabilitation; replacement of carpeting and flooring; and replacement of an accessible ramp. These improvements will extend the useful life of these buildings. The project period will be April 1, 2011–March 31, 2012. ASI has applied for matching funds with the F.R. Bigelow Foundation and The Saint Paul Foundation totaling \$50,000. The remaining match will be secure through HUD with replacement reserve funds.

The three Saint Paul buildings and a description of the improvements are as follows:

- Iglehart and Selby Homes were completed in September 1980. Iglehart Home is located at 814 Iglehart Avenue, Saint Paul 55104. Selby Home is located at 825 Selby Avenue, Saint Paul 55104. Each building has six units of accessible, affordable housing for very low-income adults with physical disabilities. These buildings were developed as part of ASI's original five homes and are now 30 years old. The capital improvements needed are replacements of windows, carpet/flooring, bathroom vanities, doors/frames and one accessible ramp at Selby Home. Cost for these improvements total approximately \$50,000.
- Henry Courts is located at 134-154 Western Avenue South, Saint Paul 55102. Henry Courts provides 10 units of accessible, affordable housing for very low-income adults with physical disabilities. The building was completed in November 1984. Originally sponsored and developed by the National Ataxia Foundation, Henry Courts has two locations, one in Saint Paul, the other in Bloomington. Funds from The Saint Paul Foundation would only be used for improvements to the Saint Paul location. This building is in need of a new roof on the laundry room, replacement of the siding and kitchen remodeling in all 10 units. Cost for these improvements total approximately \$135,555.

2. Briefly describe, in quantifiable terms, the specific results of this proposal (*i.e.: 10 houses rehabbed in 2 years; 5 jobs created by business expansion; 15,000 sq. ft. Community Center addition.*)

Three (3) accessible affordable buildings with 22 units combined will be rehabbed within one year.

3. Please explain the public benefit of your project:

The neighborhoods surrounding Henry Courts, Iglehart Home and Selby Home should be impacted by the improvement to the exterior of each building. Upgrades to existing buildings benefits adjacent properties by increasing property values and pride of ownership in the neighborhood.

II. NEIGHBORHOOD PLANNING/COMMUNITY SUPPORT: Community involvement is a critical part of the STAR program. In this section you are being asked to identify the participation of neighborhood and community groups in your proposal.

1. Will your project be coordinated or partnered with any other project, program? If yes, please describe:

No

2. Is this proposal identified as part of an adopted city, neighborhood, or business plan? If yes, please describe: (Neighborhood plans can be found @ www.stpaul.gov/index.aspx?NID=3446)

No

3. Is there neighborhood\community support for this proposal? YES X NO _____. Please explain:

The buildings have been in existence for 30 years and the neighborhoods surrounding Henry Courts, Iglehart Home and Selby Home should be impacted by the improvement to the exterior of each building. Upgrades to existing buildings benefits adjacent properties by increasing property values and pride of ownership in the neighborhood.

III. PUBLIC COST: This section helps define the financial impact of your request on the general public. Please be as accurate as possible:

1. Will this project/program result in a change in the tax base? If yes, please complete the following: **No**

_____ Current property taxes payable per year

_____ Estimated taxes after project is completed

_____ Net change in taxes per year

2. For proposals that remove property from the tax rolls, you'll need to calculate a Payment in Lieu of Taxes (PILOT) that will replace the lost property tax revenue. Suggested minimum is 25% of the total current taxes to assist with basic safety services to be paid for 20 years or the term of the agreement, whichever is longer. **The estimated PILOT is:** NA.

IV. PROJECTED JOB CREATION / RETENTION

<input type="checkbox"/> Job Impact <input type="checkbox"/> No Job Impact	Year 1	Year 2	Year 3	Year 4	Year 5
# of New Full-Time Permanent Jobs CREATED Each Year	0				
# Of Full-Time Permanent Jobs RETAINED Each Year	4-10				
#OF FULL-TIME PERMANENT JOBS LOST Each Year	0				
# of Construction/Temporary Jobs CREATED Each Year	6-12				
Average Wage for Full-Time Permanent Workers					

V. STAR PROJECT / PROGRAM ACTIVITIES: The Neighborhood STAR Program provides funding for a variety of activities. **Please complete the one section only that best describes your proposal:**

A. Development/Redevelopment; B. Open Space Improvement; or C. Re-lending/re-granting Program:

A. Commercial or Residential Development/Redevelopment Project: If you are requesting funds for a commercial or residential development/redevelopment project, please complete the following section:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

Support Vitality of Industry	Incr. Women/Minority Businesses	1	Address Special Housing Needs
Stablize Market Value	Encourage Entrep'ship		Retain Homeowners in the City
Provide Self-Employment Opt's	Generate Private Investment		Maintain Housing Stock
Create Local Business	Support Commercial Activity		Incr. Home Ownership Stock
Retain Local Business	Heritage Preservation	2	Provide Affordable Housing

2. Before a development proposal may proceed, you must have control of the property. Please indicate the type of site control you have: Deeded Title X Purchase Agreement__ Purchase Option__ Existing Lease __ Lease Agreement __ Other __ Comments:

3. a. Type of development: New Construction _____ Rehabilitation/Expansion X

- b. Describe the current use of space (number of units, sq. ft., commercial, residential, etc.)

There are three buildings of accessible, affordable housing. One building is a 10 unit apartment building. Two buildings are shared rooming occupancy duplexes with three bedrooms on each side, for a total of six bedrooms in each duplex.

- c. List the proposed use of space (office, retail space, housing units, etc.)

Existing housing units

- d. Will the proposal provide the leasing of space? YES __ NO X If yes, please provide:

PROSPECTIVE TENANTS	SQUARE FOOTAGE	RENT PER SQUARE FOOT	IS LEASE SIGNED?

4. Anticipated start date? 4/1/2011 Estimated completion date? 3/31/2012.
5. If this request is for a new business start-up, **please attach** your business plan. **NA**
6. Has a developer, architect, general contractor, and/or leasing and management firm been selected?
Yes _____ No X If yes, please identify:
7. Have detailed cost estimates been prepared? Yes X No _____ If yes, **please see attached**.

PLEASE NOTE: Economic development activities may be subject to both the City's Living Wage and Business Subsidy requirements. For more information, please visit the city's website: <http://www.stpaul.gov/index.asp?NID=2659>.

----- **If you completed Section A, you are finished with Item VI. proceed to page 7, Item VI.** -----

B. Public / Private Open-Space Improvement Projects: STAR money has been used to finance important public and private open-space improvements in our community. These include playgrounds, streetscapes, or improvements to various public facilities. **If you are applying to fund a public or private open-space improvement project** please complete the following:

1. Define the type of public benefit that can be expected. Place a "1" next to the primary benefit, a "2" next to the secondary benefit and complete the tax base data (*if applicable*) in the following chart:

<input type="checkbox"/>	Remove Blight/Pollution	<input type="checkbox"/>	Improve Health/Safety/Security	<input type="checkbox"/>	Increase/Maintain Tax Base
<input type="checkbox"/>	Rehab. Vacant Structure	<input type="checkbox"/>	Public Improvements	<input type="checkbox"/>	< current tax production:
<input type="checkbox"/>	Remove Vacant Structure	<input type="checkbox"/>	Goods & Services Availability	<input type="checkbox"/>	< est'd taxes as built:
<input type="checkbox"/>	Heritage Preservation	<input type="checkbox"/>	Maintain Tax Base	<input type="checkbox"/>	< net tax change + or -:

2. Please describe your previous experience with public or private open-space improvement projects:

3. Describe the components included in your proposal, and approximate locations (i.e. streetlights, benches, boulevard trees, playground equipment, park improvements, etc.).

4. Explain how this project will be maintained over the life of the improvement:

5. Anticipated start date? _____ Completion? _____

6. Please list the City department(s) and person(s) with whom you have discussed your proposal:

7. Do you have a construction cost estimate either from, or approved by, the City department and contact listed in #6 above? YES _____ (estimate attached) NO _____.

8. Have businesses and/or homeowners been approached regarding any required assessments to their property? YES ____ NO ____ If yes, please indicate:

a. How many properties will be affected? residential _____ commercial _____

b. How many have agreed to pay assessments? residential _____ commercial _____

----- if you completed Section B, you are finished with Item VI. proceed to page 7, Item VI. -----

C. Re-Lending / Re-Granting Program for Housing or Businesses: **This needs to be completed** if you are requesting funds to administer a re-lending / re-granting program:

1. Define the type of public benefit that can be expected. Please place a "1" next to the item you believe is the primary benefit, and a "2" next to the item you select as a secondary benefit:

<input type="checkbox"/>	Support Vitality of Industry	<input type="checkbox"/>	Incr. Women/Minority Businesses	<input type="checkbox"/>	Address Special Housing Needs
<input type="checkbox"/>	Stablize Market Value	<input type="checkbox"/>	Encourage Entrep'ship	<input type="checkbox"/>	Retain Homeowners in the City
<input type="checkbox"/>	Provide Self-Employment Opt's	<input type="checkbox"/>	Generate Private Investment	<input type="checkbox"/>	Maintain Housing Stock
<input type="checkbox"/>	Create Local Business	<input type="checkbox"/>	Support Commercial Activity	<input type="checkbox"/>	Incr. Home Ownership Stock
<input type="checkbox"/>	Retain Local Business	<input type="checkbox"/>	Heritage Preservation	<input type="checkbox"/>	Provide Affordable Housing

2. Anticipated program start date? _____ Completion? _____

3. Please list the number of units (houses or businesses) to be assisted: _____

4. Briefly summarize how you will select program participants (i.e. income of recipients, requirements for match funds, cash vs. sweat equity.)

5. Describe you and/or your partner's experience and capacity for operating a loan or grant program:

6. How will this program differ from existing City housing or business programs?

7. Will this program coordinate with other City programs? Yes ____ No ____ If yes, please explain:

8. a. Are you planning to provide loans? Yes ____ No ____ grants? Yes ____ No ____ If yes, what type of terms or conditions will be required? (i.e. will there be a mortgage or lien on sub-grantees' property? Occupancy requirements? Will the loan come due if property is sold or rented?)

b. What kind of loan underwriting criteria do you envision? (i.e. collateral, debt-to-income ratio)

9. **Please attach program guidelines.**

VI. SOURCES AND USES: Please attach an itemized budget or contractors' estimates where applicable. Itemize use of STAR funds, private match and non-matching funds for the entire project:

CATEGORY	STAR LOAN REQUEST	STAR GRANT REQUEST	MATCHING FUNDS	NON-MATCHING FUNDS*	TOTAL
Acquisition					0
Rehabilitation:					
residential	0	92,777	92,777	0	185,554
commercial					
New Construction:					
residential					
commercial					
Public Improvements					
Private Open Space Improvements					
** Direct Project Costs					
TOTALS:	0	92,777	92,777	0	185,554
<i>total(s) also appear on pages 1 and 8</i>					

Line Item Examples:

Acquisition:	up to 20% of STAR funds may be used to purchase an existing building or property
Commercial/Housing Rehabilitation:	capital improvements to an existing building
New Construction:	new structure
Public Improvements:	streetscape, play equipment, park benches, permanent signs, exterior lighting etc. on public property
Private Open Space Improvements:	playground, community garden etc. on private property

* **Please List** the additional funds being used on this project that do not qualify as matching contributions (i.e. city grants from CDBG, TIF, CIB or the HRA)

NA

Direct Project Costs (Soft Costs) - Up to 20% of STAR funds may be used for soft costs (i.e. acquisition, architect, engineering, legal and loan fees, environmental testing, permits, licenses, etc.) Eligible soft costs do not include **general administrative fees, marketing, or operating costs. **Please itemize and describe soft costs:**

VII. SOURCE OF MATCHING FUNDS: Matching funds must be *directly* related to the capital improvement proposal. Please refer to the Neighborhood STAR Guidelines (www.stpaul.gov/star) for eligible match criteria.

Please Identify Source & Type of Matching Funds	Amount	Date Available	Match Firm?
A. Estimated volunteer labor/sweat equity*:			
B. Estimated in-kind service*:			
1			
2			
3			
C. Estimate and name source of cash donations:			
1			
2			
D. Name and amount of anticipated foundation grants:			
1 The Saint Paul Foundation	25,000		Pending
2 F.R. Bigelow Foundation	25,000		Pending
3			
E. Amount of loan(s) and name of lender:			
1			
2			
F. Amount and source of private equity:			
1			
2			
3			
G. Amount, source and type of other match:			
1 HUD Replacement Reserves	42,777		Secured
2			
3			
TOTAL VALUE OF MATCHING FUNDS**	\$ 92,777		

* Up to 30% of the total match may be indirect contributions including in-kind goods and services, sweat equity and/or volunteer labor. Sweat equity and volunteer labor is valued at \$15 per hour (*STAR Guidelines, page 7*)

** Same total appears on pages 1 and 7

VIII. APPLICANT INFORMATION. This section provides the STAR Board, elected officials, and staff with basic information about your organization, and its abilities to carry out a STAR project.

1. Please describe your organization (i.e. its history, structure, business, membership, purpose etc.)

Accessible Space, Inc. (ASI) is a tax-exempt, nonprofit organization incorporated in 1978. ASI provides accessible, affordable housing, supportive living, rehabilitation and property management services to very low-income individuals with physical disabilities, as well as seniors with disabilities who are aging in place. Services are provided in 16 residential homes and apartment settings in Saint Paul and the Eastern Twin Cities Metropolitan Area, as well as in 112 other sites in Greater Minnesota, Montana, Nevada, North Dakota and 27 other states. ASI also provides services in integrated housing, particularly in buildings that include very low-income families and/or seniors throughout the Twin Cities Metropolitan Area of Minneapolis/St. Paul, Minnesota.

The mission of Accessible Space, Inc. (ASI) is to provide accessible, affordable, assisted/supportive and independent living opportunities for persons with physical disabilities and brain injuries, as well as seniors. This mission is accomplished through the development and cost-effective management of accessible, affordable housing, as well as the provision of assisted/supportive living and rehabilitation services.

The core of ASI's philosophy is self-reliance. ASI believes that its residents with mobility impairments and severe physical disabilities, as well as seniors, are best able to judge, direct and manage the services they need. Individuals with brain injuries who participate in ASI's New Beginnings for Brain Injury (NBBI) Program, Services to Persons with Mobility Impairments (MIS) Program, Shared Living (SL) Program and Nevada Community Enrichment Programs are likewise supported in their efforts to achieve greater self-sufficiency and independence.

ASI is a pioneer in the provision of accessible, affordable housing and access to shared supportive care services in the Twin Cities and Greater Minnesota. ASI exists as a cost-effective alternative to long-term institutional care for very low-income adults with mobility impairments, severe physical disabilities and traumatic brain injuries who require support services. The philosophy of ASI is based on the belief that many of these individuals are capable of participating in the management of the support services they require. This commitment to self-reliance is demonstrated through ASI's nationally recognized, resident management system that empowers ASI residents to participate in the daily management of the services provided in their ASI homes and apartments. In governance, ASI is also dedicated to consumerism and empowerment as a majority of its 11 member, volunteer board of directors is comprised of adults with disabilities.

The housing, services and programs offered by ASI make it unique on a national level, offering very low-income adults with mobility impairments, severe physical disabilities and/or traumatic brain injuries a viable "middle ground" between inappropriate institutionalization and total independent living. Physical, economic, vocational and social independence, as well as self-reliance and integration, are encouraged as part of ASI's programs. Residents who are capable of rational decision-making are included in the hiring and supervision of over 250 Resident Assistants (RAs) employed by ASI in the Twin Cities Metropolitan Area and Greater Minnesota.

By offering resident-directed services and accessible, affordable housing, ASI promotes self-reliance and personal growth for very low-income adults with mobility impairments, severe physical disabilities and/or traumatic brain injuries, as well as seniors. Accessible Space, Inc. (ASI) currently provides accessible, affordable housing and a broad range of support services to very low-income adults with mobility impairments, severe physical disabilities and traumatic brain injuries, as well as seniors with disabilities who are aging in place. ASI serves non-senior and senior adults with spinal cord injuries resulting in quadriplegia and

paraplegia, traumatic brain injury, amputation, multiple sclerosis, cerebral palsy, spina bifida, congenital deformities, stroke, ataxia, post-polio, muscular dystrophy and other orthopedic, neurological and muscular disorders.

ASI directly serves 2,617 consumers and provides extended services and referrals to over 2,900 individuals and family members. This is currently accomplished through the operation of ASI's 128 sites (16 in Saint Paul and the Eastern Twin Cities Metropolitan Area) and five main programs; Services for Persons with Mobility Impairments (MIS), New Beginnings for Brain Injury (NBBI) Program, Shared Living (SL) Program, Nevada Supportive Housing Services (NSHS) Program and the Nevada Community Enrichment Program (NCEP).
[Note: In Saint Paul and the Eastern Twin Cities Metropolitan Area, ASI provides over 250,000 hours of service to its residents annually.]

Since 1978, ASI has been the catalyst for developing and refining the development of accessible, affordable housing with supportive care services for very low-income adults with physical disabilities and/or traumatic brain injuries in the Twin Cities and throughout the State of Minnesota. In that pivotal year, ASI received funding for its original integrated, scattered-site cooperative housing with a \$1,023,400, Section 202 fund reservation from the U.S. Department of Housing and Urban Development (HUD) and an attached 20 year rent subsidy contract totaling \$4,204,800 (\$210,240 annually). Since the first initiative was funded, ASI has received \$71,836,286 in HUD Section 202/Section 811 capital grants and \$41,522,562 in attached rent subsidy funding for 874 accessible, affordable and supportive apartments in Minnesota for very low-income adults with physical disabilities and seniors. [Note: A summary of ASI's 144 HUD Section 202/811 Supportive Housing Developments from 1978-2009 can be found in *Attachments*.]

ASI has received funding for developments throughout the Twin Cities Metropolitan Area and Greater Minnesota including accessible, affordable housing in Minneapolis, Saint Paul, Albert Lea, Alexandria, Austin, Blaine, Bloomington, Brainerd, Brooklyn Park, Burnsville, Champlin, Coon Rapids, Duluth, Falcon Heights, Golden Valley, Grand Rapids, Hibbing, Marshall, Mounds View, Owatonna, Rochester, Rogers, Roseville, Saint Anthony, Saint Cloud, Sartell, Shakopee, Stillwater, White Bear Lake, Willmar and Worthington. ASI has successfully raised an additional \$9,618,511 in public and philanthropic capital funding for its Minnesota developments. These initiatives have been inspired by concerned area residents with disabilities, seniors and local providers of services interested in developing accessible, affordable housing and supportive services to very low-income individuals with physical disabilities, as well as seniors, throughout Saint Paul and the Eastern Twin Cities Metropolitan Area and Minnesota.

Relationships

Over the last 18 years, Accessible Space, Inc. (ASI) has cosponsored or partnered with over thirty organizations to submit forty-five successful applications to the U.S. Department of Housing and Urban Development's (HUD) Section 811 and Section 202 Programs. ASI is often approached by local organizations wishing to partner with ASI to develop accessible, affordable housing in their community.

Four key organizations ASI has partnered with are the Amherst H. Wilder Foundation, Saint Paul, Minnesota; Twin City Christian Homes, Inc. (TCCH), Richfield, Minnesota; the National Handicap Housing Institute, Inc. (NHHI), New Brighton, Minnesota; and Over The Rainbow Association (OTR), Evanston, Illinois. Fourteen accessible, affordable apartment buildings have been developed with these nonprofit organizations.

ASI's role has been to write and submit the Section 811 and 202 applications to HUD, as well as submit supplemental funding applications once the development has received a funding award. On most of its buildings ASI serves as the developer and property manager. Supportive services are provided at some of the sites. Per HUD's regulations, each of these developments is established as a separate nonprofit organization

that is often incorporated as a nonprofit affiliate of ASI. ASI's Board of Directors meets monthly to review the financial reports for the organization and all of its nonprofit affiliates.

Board Members And Staff

Since 1978 ASI has been governed by a volunteer Board of Directors. A majority of ASI's 11 member Board of Directors is comprised of adults with physical disabilities, many of whom are recipients of ASI's accessible, affordable and supportive housing services. ASI's board members have taken an active stewardship role in the development of the organization that has enabled ASI to advance its innovative "housing with care" mission throughout Minnesota and the nation.

ASI has significant expertise in the development of accessible, affordable housing and supportive care services for very low-income adults with physical disabilities, as well as seniors with disabilities who are aging in place. With over 120 years of combined experience, the eight member senior management team is capable of facilitating the necessary capital improvements for these four accessible, affordable buildings for very low-income adults with physical disabilities and seniors.

ASI currently has 575 employees. There are 180 full-time staff members and 395 part-time staff. Direct care staff and building caretakers comprise the majority of part-time positions. ASI's 11 member board serve in a volunteer capacity.

2. What is your status as a legal entity? *(i.e. corporation, partnership, nonprofit, proprietor, etc.)*

Non-profit Corporation

3. Who will be the designated project manager? Ken Berry, Director of Property Management
Describe her\his background, skills and experience in managing similar-type projects.

Please see attached resume

4. Do you have an adopted\official conflict-of-interest policy? If so, please summarize or attach.

No

5. If you have received City funds within the past five years, please identify below or attach a separate list:

YEAR	PROGRAM	AMOUNT	BALANCE
NA			

Section B: Financial Information

ORGANIZATION MANAGEMENT Proprietor, partners, officers, directors, governors and all holders of outstanding stock (100% of ownership must be shown.) Use a separate sheet if necessary.

NAME AND TITLE	COMPLETE ADDRESS	% OWNED
NA		

Do you have affiliate and/or subsidiary firms (20% or more ownership in other entities)? If so, please provide the last fiscal year end financial statements for the listed firms. NA

If your business is a franchise, include a copy of the franchise agreement and the franchiser's FTC disclosure statement.

PLEASE PROVIDE THE FOLLOWING (check if attached or "N/A" if not applicable):

See Audits A current balance sheet and a current operating statement. (Last business quarter)

See Audits Aging of accounts receivable/accounts payable as of the date of the current balance sheet.

See Audits A year-ended balance sheet and profit and loss statement for the previous three years, with accountant's letter, notes and supporting schedules.

See Audits Detailed cash flow projections for 12 months of operation or a projected annualized income statement with assumptions.

NA A copy of existing or proposed purchase agreement or lease agreement. (Provide appraisal, if available.)

X If project involves construction, please include specifications and contractors' estimates.

NA If project involves the purchase of fixed assets, please include purchase agreements or vendor quotes.

X If a corporation, please provide articles of incorporation and bylaws.

NA If a partnership, please provide partnership agreement.

NA If LLC, please provide articles of organization.

X Copies of last three years business tax returns. **2007-2009 Audits**

NA Current personal financial statements for partner, officer, owner, and each stockholder with 20% or greater ownership.

X Resumes of principals and key management.

NA If this project includes bank participation, please provide a bank commitment letter.

I. BANK REFERENCES

BANK	ACCOUNT OFFICER	PHONE
US Bank	Sarah Kavanagh	651-604-2682

II. TRADE REFERENCES

COMPANY	CONTACT PERSON	PHONE
NA		

III. DEBT SCHEDULE

Please list all existing business debts. Date*: _____

Creditor name	Original amount	Original date	Present balance	Interest rate	Maturity date	Monthly payment	Assets secured	Current or delinquent
NA								

Total present balance* \$ _____

Total monthly payment \$ _____

* Should be the same information provided on the current financial statement.

IV. ACCOUNTANT

Name _____ Judith Lemke-Kline, CPA

Address _____ University Ave. W Suite 330N, Saint Paul MN 55114

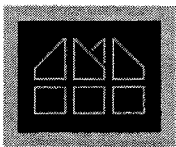
Phone/e-mail _____ 651-645-7271/ Jlemke-Kline@accessiblespace.org

V. LAWYER

Name _____ Bradley A. Fuller

Address _____ 2550 University Ave. W Suite 330N, Saint Paul MN 55114

Phone/e-mail _____ 651-645-7271/ bfuller@accessiblespace.org



Accessible Space, Inc.
INCUMBENCY CERTIFICATE FOR

ACCESSIBLE SPACE, INC.

The undersigned, who is an officer of Accessible Space, Inc., hereby certifies that the following listing of Officers and Directors constitutes all duly qualified and sitting Officers and Directors of the Sponsor as of _____, 2010.

<u>NAME/ADDRESS</u>	<u>TITLE</u>	<u>COMMENCEMENT/TERM</u>
STEPHEN VANDER SCHAAF 2550 University Avenue Suite 330N St. Paul, MN 55114-2014	PRESIDENT/CEO	06/28/1982 – 12/31/2010
MARK E. HAMEL, ESQ 4820 Sheridan Avenue South Minneapolis, MN 55410-1917	CHAIRPERSON OF BOARD	05/25/1988 – 12/31/2011
KAY KNUTSON 2749 11 th Avenue South Minneapolis, MN 55407-1112	VICE CHAIRPERSON OF BOARD	12/21/1989 – 12/31/2012
STEVE SCHUGEL, CPA 1386 Ryan Avenue West Roseville, MN 55113-5828	TREASURER/ BOARD MEMBER	12/12/1991 – 12/31/2011
JOHN W. ADAMS, MBA 4818 St. Andrews Drive Baytown, Texas 77521-3016	SECRETARY/ BOARD MEMBER	12/10/1999 – 12/31/2011
MAYNARD BOSTROM 1680 Eastwood Drive SE Apt. 209 Rochester, MN 55904-5198	BOARD MEMBER	06/28/1995 – 12/31/2012
JAMES HANSON, MSW 2015 Upton Avenue South Minneapolis, Minnesota 55405-2214	BOARD MEMBER	04/26/1999 – 12/31/2011
PATRICK C. HORAN 112 Cromwell Parkway, #308 Norfolk, Virginia 23505-3599	BOARD MEMBER	06/28/1995 – 12/31/2012

14

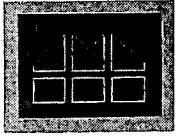
**INCUMBENCY CERTIFICATE FOR
ACCESSIBLE SPACE, INC.**

MARY LINDGREN, MLS 2749 11 th Avenue South Minneapolis, Minnesota 55407-1112	BOARD MEMBER	06/28/1995 – 12/31/2012
STEPHEN F. WIGGINS, MBA 12 North Road Darien, Connecticut 06820-6216	BOARD MEMBER	12/12/1991 – 12/31/2011
VIRGINIA UPCHURCH CHASE, MA 615 Forest Street LaPorte, Texas 77571	BOARD MEMBER	01/01/2009 – 12/31/2012

ACCESSIBLE SPACE, INC.

Stephen Vander Schaaf, President/CEO

+ Stephen Vander Schaaf is an officer of the corporation and is not on its Board of Directors.



Accessible Space, Inc.

December 29, 2010

Ms. Sharon DeMark
Program Officer
The Saint Paul Foundation
55 Fifth Street East, Suite 600
Saint Paul, Minnesota 55101-1797

Dear Sharon:

Per our recent conversation and on behalf of Accessible Space, Inc.'s (ASI) Board of Directors, residents and staff, I am respectfully submitting the enclosed grant proposal with attachments to The Saint Paul Foundation for ASI's Saint Paul 2011 Capital Improvements Project.

With support from The Saint Paul Foundation, ASI will increase the accessibility, safety and livability of four of its affordable apartment buildings located in Saint Paul that have been operational for a combined 93 years. Capital improvements at these four buildings will benefit 72 very low-income adults with physical disabilities and/or seniors. Funds from The Saint Paul Foundation will be leveraged as matching funds for the City of Saint Paul Neighborhood STAR Program, as well as funds from the Ramsey County CDBG/HOME Program.

Thank you for your consideration of this request, and if you have any questions concerning Accessible Space, Inc. (ASI), our Saint Paul 2011 Capital Improvements Project, or ASI's "housing with care" mission, please contact me at (651) 645-7271, ext. 203 or via email at svanderschaaf@accessiblespace.org.

Sincerely,

Stephen Vander Schaaf
President/CEO

SVS/jmh
Enclosures

cc: Ms. JoAnn Hansen
Development Grant Manager
Accessible Space, Inc.

Ms. Judy Hawkinson
Senior Fund Development Officer
Accessible Space, Inc.

16

F. R. BIGELOW FOUNDATION

January 29, 2011

Mr. Stephen Vander Schaaf
President/CEO
Accessible Space Inc.
2550 University Avenue West #330N
Saint Paul, MN 55114

RE: Saint Paul 2011 Capital
Improvements Project

Tracking #: 89992
Please reference this tracking number in
all future correspondence.

Dear Mr. Vander Schaaf:

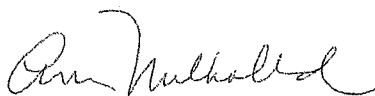
This will acknowledge receipt of your letter of December 29, 2010 requesting \$25,000.00 to help finance the budget for the Saint Paul 2011 Capital Improvements Project.

Enclosed is a copy of the Grant Application Cover Sheet, Proposal Narrative Guidelines, Proposal Checklist, optional organization budget form, and optional project or program budget form for The F.R Bigelow Foundation. To assure completeness of your application, please verify that all information on the Grant Application Cover Sheet and Proposal Narrative Guidelines is correct, and that the information needed to satisfy submission requirements has been approved. **Any additional information needed to complete your application is noted with a "No" on the Grant Application Cover Sheet and/or Proposal Narrative Guidelines.**

Please return any remaining materials needed to complete your application in order for it to receive further consideration for funding. These materials should be addressed to the attention of the person whose name appears in the upper right hand corner of the Grant Application Cover Sheet and Proposal Narrative Guidelines. **If no additional information is needed, and you have already submitted a signed Grant Application Cover Sheet, your application is complete.**

Once all the application materials are received, the person noted on the Grant Application Cover Sheet will contact you to complete a detailed review of the application. In the meantime, if you have any questions, please contact them at 651-224-5463.

Sincerely,

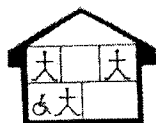


Ann L. Mulholland
Assistant Secretary

AM:pmr
Enclosure

CC: JoAnn Hansen

17



NHHI, INC.

COMMUNITY ENRICHMENT THROUGH HOUSING DIVERSITY

March 7, 2011

Matt Wagner
Fund Development/Compliance
Accessible Space, Inc.
2550 University Ave. Suite 330N
Saint Paul, MN 55114

Dear Mr. Wagner:

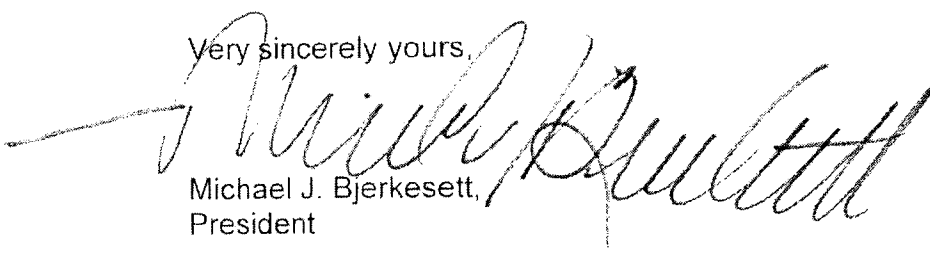
I understand that ASI is applying for STAR grant in order to support the rehabilitation of your Saint Paul properties.

I am familiar with your neighborhood based group service model of housing for persons with severe disabilities.

There is no comparable program for non-institutionalized housing available in the community. Without it, these people would become institutionalized in nursing home like settings.

This is a valuable asset for persons with disabilities in Saint Paul and I fully support the grant application you are submitting to obtain funds to continue this important mission.

Very sincerely yours,


Michael J. Bjerkesett,
President

18





2817 Anthony Lane South, #301 ♦ Saint Anthony, MN 55418

March 21, 2011

Matt Wagner
Fund Development/Compliance
Accessible Space, Inc.
2550 University Avenue, Suite 330N
St. Paul, MN 55114

Dear Mr. Wagner:

We provide home healthcare services for individuals who reside in several ASI homes.

Affordable housing for individuals with severe disabilities is scarce.

Because of abusive practices by a *couple* home healthcare agencies, state rules now prohibit *ALL* home healthcare agencies from simultaneously serving a client with PCA services--while providing, subsidizing or in any way controlling that individual's housing.

This new rule makes finding legitimate, safe housing even more difficult for disabled individuals with limited income.

The clients we serve benefit very much from the housing Accessible Space provides. Our agency supports Accessible Space's goal to apply for and obtain grant money to continue this mission.

Sincerely,

A handwritten signature in black ink, appearing to read "Ramona K. Erickson".

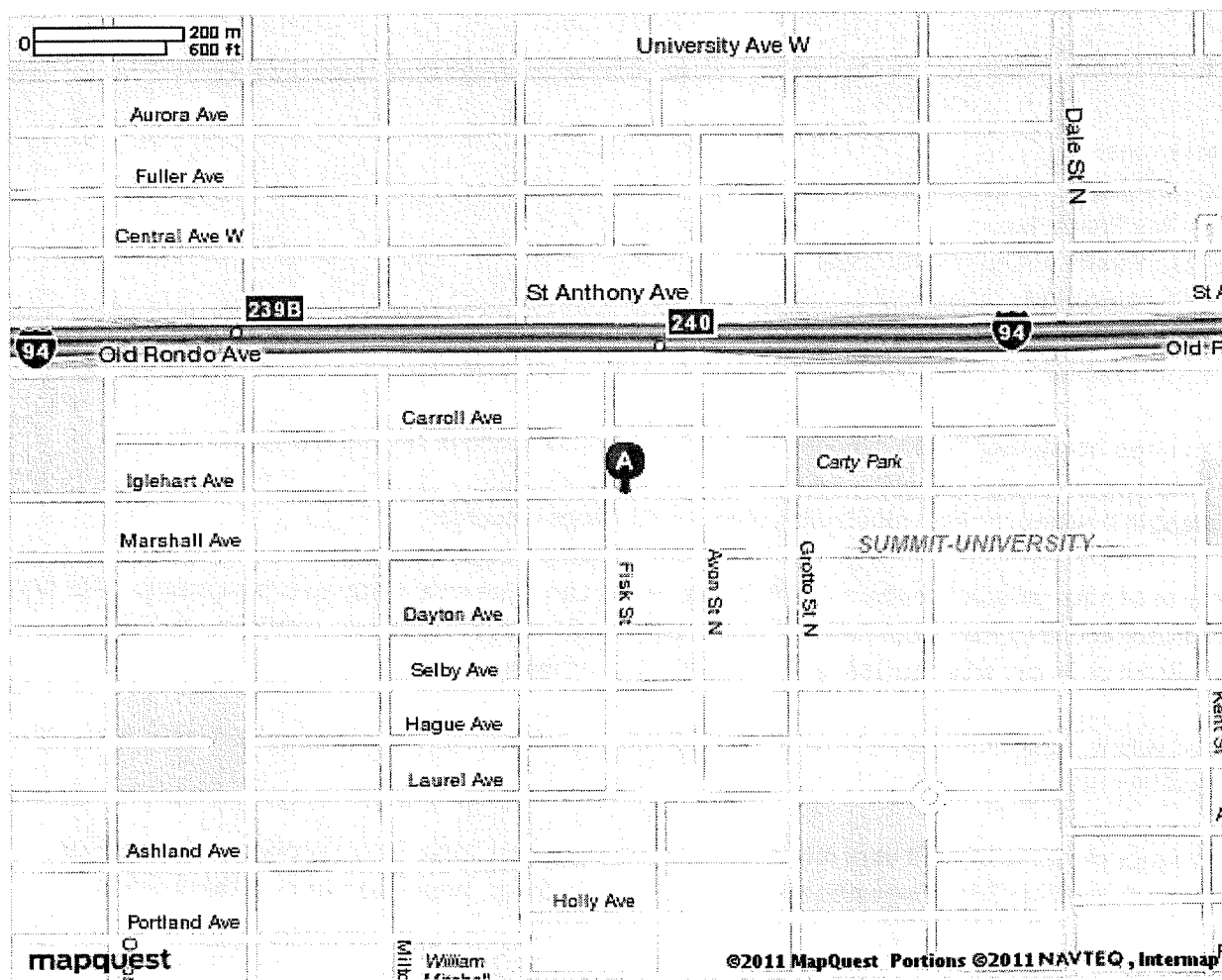
Ramona K. Erickson
Administrator



MAPQUEST

Map of 814 Iglehart Ave
Saint Paul, MN 55104-5541

Notes



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MAPQUEST

Map of 824 Selby Ave
Saint Paul, MN 55104-6622

Notes



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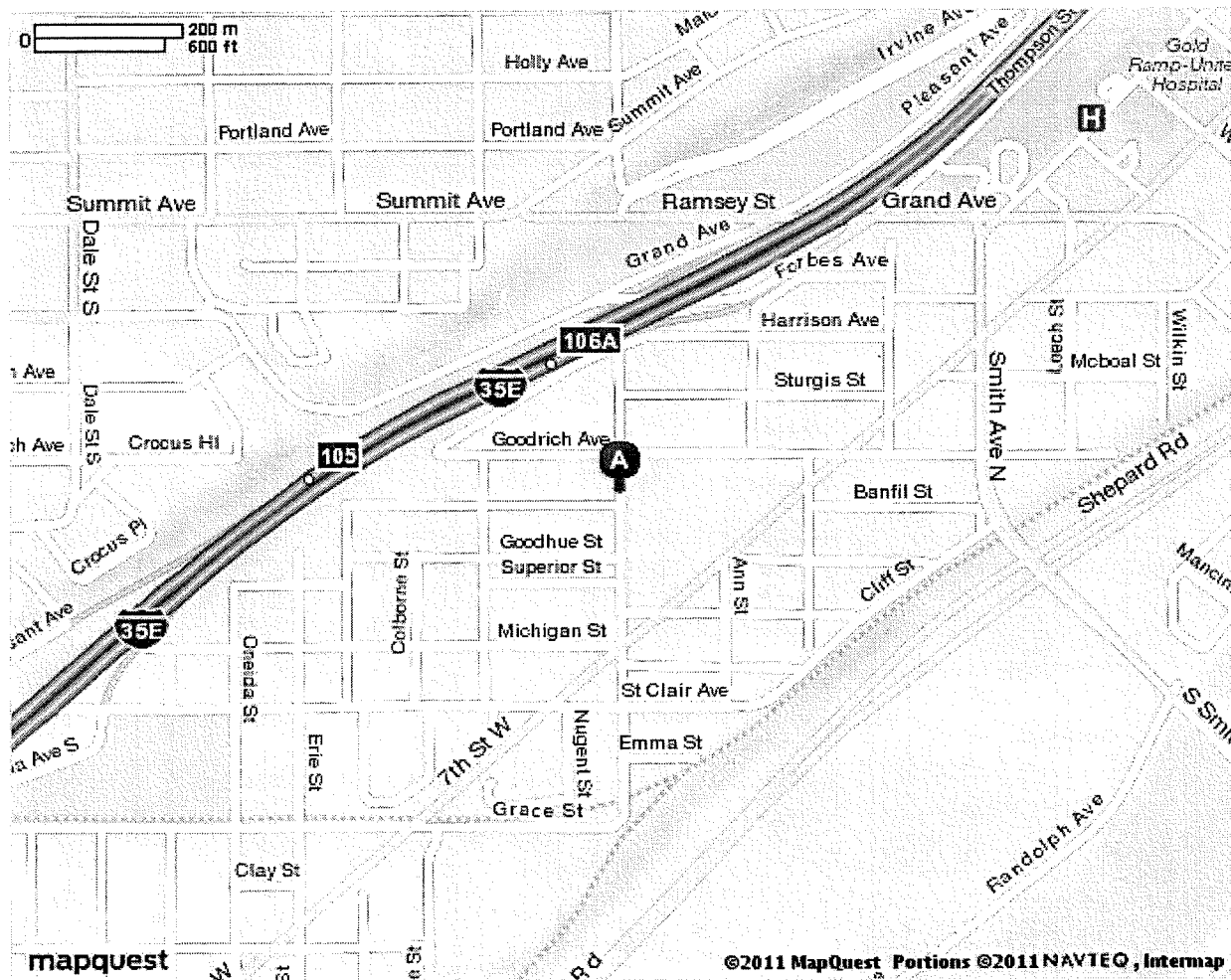
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MAPQUEST

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